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STALIN AND THE USES OF PSYCHOLOGY

By ROBERT C. TUCKER

THE influence of ideological conceptions upon the men who make Soviet policy has been frequently and rightly emphasized. Some observers are so deeply impressed by this influence that they tend to regard the Soviet system as a kind of ideocracy. It is undeniable that ideology has been one powerful factor in the shaping of Soviet policies and actions from the time of the October Revolution to the present. But one must not lose sight of the fact that, in Soviet Russia, the relationship between ideology and policy is one of mutual interaction. It is a two-way process in which theoretical conceptions affect the making of policy and practical considerations affect the content of the ideology. The ideological system is not a completely static thing. It has evolved over the years, and the realities of Soviet politics have been the driving force behind this evolution.

We may regard the Soviet ideology as consisting of two parts: a hard core of basic principles which has persisted more or less unchanged from the beginning of the Soviet period, and several surrounding layers of doctrine which have been subject to modification or accretion in accordance with the dictates of Soviet policy. There is no hard-and-fast line of demarcation between the two parts, yet the division between them is something which demonstrably exists.

The immediate purpose of this paper is to investigate certain Soviet ideological trends of recent years in their relation to the regime's policy in internal affairs. These trends center around the militant revival in Soviet psychology of Pavlov's teachings on the conditioned reflex. The Pavlovian revival, which began in 1949, will be examined in connection with various developments in biology, political economy, and other fields, and the entire ideological complex will be related to a central policy motivation to which I have given the name "transformism." The final part of the study will consider various indications of a post-Stalin retreat from "transformism" and from the ideology associated with it. The study can then serve as a basis for a tentative interpretation of some of the changes in Soviet internal policy since Stalin's death that have aroused interest and speculation in foreign circles.

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I. The Will to Transform

A prominent tendency of Soviet thought during the last years of Stalin's reign was the quest for formulas by which reality could be transformed and remolded to the dictates of the Soviet regime. The idea of transforming things in accordance with a formula was not in itself new; the notion of a revolutionary transformation of capitalist society is as old as Marxism and is rooted particularly deeply in the ways of thought characteristic of Russian Bolshevism. But in recent years this "transformist" concept seemed to acquire an obsessive hold upon the regime, and along with it went a mania for bigness and a tendency to apply the various formulas with a dogmatic and indiscriminate rigidity.

During the postwar period, "transformism" became the regime's reaction whenever it was confronted with a genuinely difficult domestic situation which clearly called for remedial measures of some kind. Instead of using the materials at hand and adapting its conduct to the realities present in the situation, it habitually responded with a grandiose project of transformation. In 1949 it came out with the so-called "Stalin Plan for the Transformation of Nature," an immense and costly undertaking of irrigation and afforestation which was to convert rural Russia into a fertile, blooming garden. Closely linked with this was the scheme for transforming the industrial landscape of the country by a series of giant "construction projects of communism"—canals, dams, and hydroelectric power stations which, it was boasted, would eclipse the best and biggest accomplishments along this line in the United States or any other country. To cite a further example, the Soviet regime, faced with an acute shortage of housing and office space in Moscow, responded with a plan for "transforming the face of the capital." This was to be accomplished by the erection of an ensemble of skyscrapers which would rival those of New York, although, unlike New York, Moscow had abundant space for less ambitious structures which would have resolved the problem more quickly and economically.

This kind of transformist thinking was reflected in the "biological discussion" of 1948, at which the Michurin-Lysenko doctrines on heredity were accepted officially, with the full authority of the Central Committee of the Communist Party and of Stalin himself. "Michurinism," as these doctrines were called, was a perfect model of transformist thinking. Their founder, the Russian naturalist I. V. Michurin (the "Great Transformer of Nature"), had, it was said, taken a "gigantic step forward" in the further development of Darwinism. Darwin had

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merely explained the evolutionary process, while "I. V. Michurin made evolution."[1] Michurin, it was said, had discovered laws and methods by which it would be possible to "mold organic forms."

The Michurin-Lysenko teachings are commonly associated with the Lamarckian principle of the inheritance of acquired characteristics. This was the practical crux of the matter. However, the biological issue was only one aspect of an ideological problem. Underlying the controversy over the inheritance of acquired characteristics was a clash between two radically different conceptions of the relationship between the organism and its environment. The Soviet geneticists whose work was based upon the Mendelian school postulated "autogenesis"—evolution under the influence of certain hereditary forces inherent in the organism itself. In this view, the so-called "internal factors of development" assume primary importance, and the role of external environmental conditions in the evolutionary process is reduced to either a "starting mechanism" or a limiting factor. It was essentially this "autogenetic" conception of the organism that Lysenko and his followers, backed by the full authority of the Soviet state, denied and attempted to expunge from Soviet biological thought.

Lysenko was led to this standpoint not by the weight of carefully sifted scientific evidence but by the imperatives of transformist ideology. Transformist thinking is fundamentally opposed to any conception which endows the object which is to be transformed (in this case, the organism) with developmental autonomy; it must not have spontaneous internal forces for growth or change which the transformer has to reckon with and respect, because that would impose unwanted limits upon the extent to which the object could be transformed from without.

The Michurinist doctrine arose out of this need to conceive the active factor of evolutionary change as residing not in the organism but in controllable conditions of the environment. For Transformism, the role of these conditions must be decisive. Accordingly, Michurinism proclaims the "unity of the organism with the environment," a conception which holds that the organism has no separate existence apart from the particular configuration of environmental conditions which sustain it. In other words, the organism and its environment constitute an adaptational system in which the forces for change reside *exclusively* with the environment. Changing environmental conditions make the unity of the organism with the environment a "contradictory unity," and the organism then resolves the contradiction by successive adaptations which

[1] *The Situation in Biological Science*, Moscow, 1948, p. 274.

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become hereditary. Or else it falls by the wayside: "Organisms which cannot change in accordance with the changed conditions of life do not survive, leave no progeny."[2] The Darwinian concept of a natural selection of chance variations of organisms engaged in a struggle for existence is thrown overboard. Michurinism rules out both chance variations and an intra-species struggle for existence. The struggle for existence takes place between the individual organism and its environment. Variations are the organism's strictly determined responses to environmental change. They are its weapons in the struggle to survive when the external conditions change. The law of evolution is: Change or die.

If, as this doctrine holds, environmental change is the sole active agent of the evolutionary process, then man's power of control over the environmental conditions of plants and animals enables him to direct their evolution according to his needs and purposes. He can then, as the participants of the 1948 session declared in their message to Stalin, "govern the nature of organisms by creating man-controlled conditions of life for plants, animals, micro-organisms." The relationship of this trend of thought to the transformist motivation of the Stalin regime becomes transparently clear. The Michurinist agrobiology, said the final resolution of the session, is "a powerful instrument for the active and planned transformation of living nature." The validity of this claim is more than debatable. The recent attacks on Lysenko in the controlled Soviet press suggest that the post-Stalin regime in Russia found his theory fallible. But, in the period from 1948 to 1953, Lysenko's theory was an integral component of Stalinism. It provided a rationalization in the biological sphere for Stalinism's effort to impose its dictates upon the world, to transform reality according to its wishes.

II. The Cult of Necessity

But while reality can be transformed, the "scientific" laws that govern the transformation are themselves fixed, necessary, and immutable. The will to transform reality was coupled with a vehement denial that there was anything arbitrary, subjective, or risky and unpredictable about the various schemes for transformation which the regime put forward. In this respect, Stalinism made a break with a deep-seated tradition of Bolshevism. The characteristic Bolshevist belief in determinism, its general "denial of accidents," had always previously coexisted with belief in an "indeterminist tendency" with respect to the details of the future with an allowance for the future's "partial unpre-

[2] *Ibid.*, p. 37.

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dictability."[3] In 1948, this tempered view gave way to an absolutely rigid and all-embracing determinism. All the processes of nature and society began to be viewed as working themselves out with an iron necessity; they were seen as perfectly predictable provided one could grasp their "regularities." Nothing whatever was left to chance. Lysenko's oft-quoted slogan, "Chance is the enemy of science," formulated the new attitude. Mendelian genetics, resting as it does upon the concept of chance mutations, was derided by Lysenko for having to "resort to the theory of probability" and for reducing biological science in this way to "mere statistics."[4] Michurinism, on the other hand, not only posed the far-reaching goal of transforming organic nature, but guaranteed the attainment of the goal by absolutely predictable scientific means. It had worked out the "laws and methods" of obtaining directed variations and of perpetuating them in the species concerned. It was all based upon the discovery of "necessary relationships" in organic nature. And so, promised Lysenko, "We will expel fortuities from biological science."[5]

The mounting obsession with necessity, determinism, and the expulsion of chance from every area of Soviet policy came to a climax in Stalin's last work, *Economic Problems of Socialism in the U.S.S.R.*, published in October 1952. Until its appearance, it had been an accepted practice for Soviet theorists to maintain that the all-powerful Soviet state, owing to its control over every aspect of the economic life of the country, could repeal or transform the laws governing its economic operations and create new ones in their stead. But in 1952 Stalin protested vehemently against this idea of the transforming of laws. Those who had spoken in such terms were denounced as economic adventurists whose disdain of "objective regularities" was fraught with great danger.

For what would it lead to if the Soviet state should regard itself as competent to create or transform economic laws? It would lead, said Stalin, to "our falling into a realm of chaos and fortuities; we would find ourselves in slavish dependence upon these fortuities; we would deprive ourselves of the possibility not only of understanding but even of finding our way around in this chaos of fortuities." Therefore, he insisted, the Soviet state must base its economic policy upon "scientific laws." Scientific laws, in turn, were reflections of "objective processes in nature or society, taking place independently of the will of human beings."

[3] Nathan Leites, *A Study of Bolshevism*, Glencoe, Ill., 1953, pp. 67, 84.
[4] *The Situation in Biological Science*, pp. 614-15. [5] *Ibid.*, p. 615.

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But Stalin simultaneously protests against what he calls the "fetishizing" of laws: "It is said that economic laws bear an elemental character, that the effects of these laws are inexorable, that society is powerless before them. This is untrue. This is fetishizing of laws, the surrender of oneself into slavery to laws. It has been shown that society is not powerless in the face of laws, that society, by perceiving economic laws and relying upon them, can restrict their sphere of action, use them in the interests of society, and 'saddle' them, as happens with reference to the forces of nature and their laws."[6]

There is thus a contradiction present in Stalin's new doctrine about scientific laws. On the one hand, he insists that Soviet policy must conform with "objective processes taking place independently of the will of human beings." This would eliminate choice and spontaneity from Soviet economic development, which would now be subordinated completely to the dictates of economic necessity. On the other hand, he cannot endure the thought of slavery to laws. He must regard his regime (or himself) as somehow superior to them, able to "saddle" them, subdue them, or "attain mastery over them," as one saddles and subdues the elemental forces of nature. He endeavors to resolve this conflict through the medium of the knowing mind. The function of the mind, he says, is to discover, grasp, study, and apply scientific laws. This intervention of the knowing mind enables him to feel that subordination to objective regularities is different from slavery to them. To settle this point, he cites the statement of Engels (derived from Hegel) equating freedom with "apprehended necessity."

Why was it that Stalin, while dead set on saddling, subduing, or attaining mastery over the supposedly objective laws of social-economic development, found utterly intolerable the thought of creating, repealing, or transforming them? What explains the enormous importance which this quasi-verbal distinction evidently had for him? The answer, I suggest, can be discovered in the psychological concept of "externalization," a process by which a person may experience his own thoughts, drives, or standards as operative in the external environment. In Stalin's case this tendency eventually found expression in a legislative attitude toward reality. In other words, what he referred to as "objective scientific laws" were an externalization of his inner policy dictates; they were a projection upon future Soviet history of the formulas for social-economic development generated in his own mind. *His own ideas*

[6] J. V. Stalin, "Ekonomicheskie Problemy Sotsializma v SSSR" ("Economic Problems of Socialism in the USSR"), *Voprosy filosofii* (*Problems of Philosophy*), No. 5 (1952), pp. 6, 8, 47.

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appeared to him as natural necessities governing the development of society.

This process of externalization performed for Stalin a double psychological function. First, it stilled any gnawing uncertainty in his own mind about the validity of the formulas and directives which he evolved; there could be nothing arbitrary or capricious about formulas which represented "objective processes taking place independently of the will of human beings." Subjective considerations entered only in the sense that his mind was the first to discover them, as Newton had been the first to discover the law of gravity. Secondly, this mental operation shut off all possible argument. It is reasonable to question a proposition about Soviet policy, even if its author be Stalin, but to question a law of nature is pure impertinence. With this in mind, we can understand how irritated Stalin became at the idea of creating, repealing, or transforming the objective laws of nature and society; such an attitude toward laws was a potential threat to his infallibility, a challenge to his externalized policy dictates. His heavy-handed insistence on the objectivity of all scientific laws, on their independence of the will of human beings, was a means of backing up his own claim to legislate the future course of nature and society. On the other hand, he could easily admit the possibility of "saddling" or "subduing" the laws, because this did not in any way affect their validity but only the manner in which society reacted to the discovery of them. It was his role as Supreme Architect of Communism to discover the laws, and it was the business of Soviet society to study them and put them into effect, and thus to "attain mastery" over them.

These considerations make it plain that the frantic preoccupation with causality, objectivity, and scientific laws which emerged in Soviet theoretical writings and the popular press during 1952 did not signify a retreat into a more empirical and pragmatic temper. Far from implying adoption of a scientific outlook, in the proper sense of the term, this tendency was part and parcel of the drift of the regime (no doubt under the commanding influence of the dictator himself) into the realm of political fantasy and wish-fulfillment. The extreme and at times almost hysterical emphasis upon necessity, iron regularities, objective scientific laws, etc., apparently expressed an imperative need to cover up the arbitrary and willful character of the decisions to transform things to suit the dreams and dictates of the autocracy. The further Stalin went in his schemes for the transformation of nature and society, the more he needed the reassurance that everything was proceeding in

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accordance with objective laws. The appeal to mechanical causality was a rationalization of rampant adventurism in Stalinist policy.

We have noted Lysenko's expression of scorn for Mendelian genetics because it "resorts" to the theory of probability and relies on "mere statistics." In later years this attitude led to a conscious rejection of any concept of scientific method that ruled out the absolute character of scientific laws. The physicist Bohr, for example, was attacked in 1952 for attempting to transform the law of the preservation of energy from an absolute law of nature into a statistical law which only holds good on the average. The "indeterminacy principle" enunciated by Heisenberg in connection with the quantum theory proved highly bothersome to Soviet philosophers of science, who felt called upon to contend that beneath the superficial appearance of indeterminacy the micro-particles of quantum theory must fully conform to a law of "deeper causal determination" of the micro-processes.[7] Especially strongly did they react against the speculation of Western quantum theorists to the effect that the electrons "choose their path," as it were, and thus (metaphorically speaking) possess a certain amount of "free will"; in other words, that there are certain moments when "nature makes a choice." The emotional intensity with which such thoughts were flayed reflects the psycho-ideological motivation of the Stalinist position. To the Stalinist mind it was imperative that nature at all its levels, from the micro-processes to man, be governed by mechanical laws of causality. For only on that condition could it be regarded as infinitely manipulable. The behavior of every single object must be reducible to a rigid, hard-and-fast formula, discovery of which would make it possible to saddle or subdue the object, to gain complete mastery over it, to transform it at will. Therefore, autogenesis was unacceptable. Nothing can behave in spontaneous ways not completely reducible to its objective formula. Everything "subjective" becomes suspect. The endowing of electrons with spontaneity was similar to the endowing of living organisms with developmental and mutational tendencies inherent in their genes. In either case the ideal of total control and transformability would be jeopardized. Here was an outlook which might fairly be described as the projection of totalitarianism upon Nature.

III. The Formula for Man

Inevitably, the postulates of transformism and mechanical causality penetrated the areas of Soviet thought concerned with the behavior

[7] B. M. Kedrov, "O materialisticheskom ponimanii zakonov prirody" ("On the Materialist Conception of Laws of Nature"), *Voprosy filosofii*, No. 6 (1952), pp. 69, 71.

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of man. There were also special reasons for this. The most difficult problem faced by the Stalin regime in the postwar years was the profound passivity of the Soviet populace, its failure to respond positively to the goals set before it. Throughout all classes of Soviet society, the hopeful moods which had prevailed widely during the war years evaporated as the regime's endeavors to mobilize them for fresh exertions in the postwar period got under way. The root of the matter was not the incapacity of people to endure another season of privation, but rather the meaninglessness of the sacrifices they were called upon to make, the pointlessness of Russia's being in eternal conflict with the rest of the world, the total lack of prospect for tranquility in their time. The result was widespread apathy, resignation, spiritual disengagement from the goals of the Stalin government.

Stalin evidently decided that the problem could be solved, or at least greatly alleviated, by a massive propaganda effort coupled with improved controls over an intermediate element—the artists and writers —whose work in the service of the goals of the state would in turn influence the public in the required ways. This was the impulse behind "Zhdanovism," the drive which started in the summer of 1946 to enlist and organize the creative intelligentsia of the Soviet Union as a corps of conscious instruments of state policy, as missionaries of patriotic enthusiasm among the dispirited multitude of the Russian people. This attempt to elicit popular enthusiasm by means of a propaganda campaign continued through the postwar years, but with little apparent success. The whole undertaking was an example of Stalinism's characteristic overevaluation of the potentialities of propaganda.

As indicated earlier, the stock reaction of the Stalin regime to a situation in which certain forces in the environment were proving recalcitrant to its goals was not to re-examine the goals, but to search for a formula by which it could transform or remold the forces and thereby overcome their recalcitrance. If the material at hand was showing itself perverse to the dictates of the regime, then some way had to be found to conquer its perversity. The dictates themselves were righteous and unalterable; their frustration only evoked redoubled insistence upon their realization. In the case in question, the regime was faced with persistent popular apathy and passive resistance to its control in various sections of Soviet society, especially the peasantry. People were not responding in the expected way to the techniques of political education and indoctrination. This led the Stalinist mind to find some magic formula for making people respond properly. If Russians were failing to respond to the goals set before them, then something was the matter

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with the Russians and with the means employed to elicit their response. Their minds had to be remolded to the point where inner acceptance of the Soviet ideology and all the behavior patterns it imposed would come as a matter of course. But for mind control to become a reality, it had to be based upon scientific bedrock. What was required was a *formula for man.*

By 1949, when the need for a new formula in terms of which human nature could be scientifically explained and "saddled" had become more or less obvious, the Soviet leadership found in the Michurin-Lysenko doctrines a theory of the transformation of organisms on the biological level. Could it not draw in some fashion upon these doctrines for the purpose of constructing a more perfect science of man? Stalin himself tended to employ the biological analogy in his sociological thinking. In his essay on "Dialectical and Historical Materialism" published in 1938 as a chapter of the new *Short Course*, he had written that the science of society "can become as precise a science as, let us say, biology, and capable of making use of the laws of development of society for practical purposes."[8] Lysenko, with Stalin's blessing, had become the reigning authority of a new biology which boasted of its ability to "expel fortuities" from this area of knowledge. If Michurinism could produce new species of plants and animals, might it not serve in the hands of the all-powerful Soviet state as a means of eventually creating a new species of "Soviet man"?

Actually, a "Michurinism for man" was germinating during the aftermath of the genetics controversy of 1948, but it did not come forth as a Soviet version of eugenics. It was a transference to man not of the specific biological concepts and techniques of Michurinism but of its basic underlying ways of thought, of its general theory of the relationship between the organism and the environment. In his search for a counterpart of Michurin in the field of psychology, for a Russian who could qualify as the "great transformer of human nature," Stalin rediscovered Pavlov. *The formula for man was the conditioned reflex.*

Stalin's rediscovery heralded a Pavlovian revolution in the Soviet behavioral sciences. The principle of the conditioned reflex was made the basis of a new Soviet concept of man. According to this concept, man is a reactive mechanism whose behavior, including all the higher mental processes, can be exhaustively understood through a knowledge of the laws of conditioning, and can be controlled through application of this knowledge. The new movement began in 1949, and continued

[8] *History of the Communist Party of the Soviet Union (Bolshevik): Short Course,* Moscow, 1945, pp. 114-15.

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with ever-increasing momentum during 1950, 1951, and 1952. From the fields of physiology and medicine where it took its rise, it radiated out into numerous adjacent areas of science, including psychiatry, pedagogy, and psychology.

It must be emphasized once again that the motivating springs of this movement were not scientific but political, not intellectual in the proper sense but psycho-ideological. That is, the neo-Pavlovian movement did not grow spontaneously out of the scientific investigations of Soviet physiologists, pathologists, and psychologists working independently at their respective problems. It was, on the contrary, imposed upon them from above by political authorities whose interest in the matter was non-scientific. According to Academician K. Bykov, who played a part in the Pavlovian revolution similar to that of Lysenko in genetics, the whole development took place "under the directing influence of the Party" and was inspired by Stalin personally: "The initiator of the events which have elevated the teachings of Pavlov in our country, the initiator of the creation of the most favorable conditions for the development of Soviet physiology for the benefit of the people is the brilliant architect of Soviet culture—Joseph Vissarionovich Stalin. We are indebted to Comrade Stalin for the victory of the Pavlovian cause in our country and for the creative upsurge which we now observe in the development of this most important field of contemporary natural science."[9] There appears to be no reason to doubt the testimony of Bykov on this crucial point.

IV. The Enthronement of Pavlov

The year 1949 was the turning point in the official Soviet attitude toward Pavlov. Prior to that time, Pavlov's memory had been venerated in Soviet writings. But in the new phase, which began in 1949, this gave way to a positive glorification of both the man and his teachings. As the potential practical use of these teachings dawned upon the Stalin regime, they began to receive official endorsement in a new spirit of dogmatic authority. A major development in Pavlov's rise was the nation-wide observance in September 1949 of the one-hundredth anniversary of his birth. Although the Pavlovian revolution was at that time still in its formative stages, some of the themes of the centenary materials were highly indicative of the direction in which the thought of the regime was moving. The mounting antipathy toward "subjectivism" was evident in the boast by Academician Bykov that

[9] *Pravda*, April 19, 1952.

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Pavlov "drove the soul out forever from its last refuge—our minds."[10] The logic of facts, wrote Bykov, led Pavlov to the necessity of "putting an end forever to the conception of the soul." And *Pravda*, in its anniversary editorial, said that Pavlov had invaded the sphere of spiritual phenomena, established the material basis of higher nervous activity, and in this way had smashed for all time the "idealistic fables about the supernatural character of our minds." Moreover, this editorial revealed vividly the relationship of the new official interest in Pavlov to the transformist trend of thought: "To master nature, to subjugate her to the interests of man, to achieve unlimited power over the most intricate type of motion of matter—the work of the brain—such was Pavlov's ardent dream. Like another great Russian scientist, I. V. Michurin, Pavlov did not wish to await 'favors' from nature, but took the view that it is possible and feasible for man himself to take these 'favors,' actively to intervene in nature, to remake her."[11] The coupling of the names of Pavlov and Michurin was far more than a casual rhetorical flourish.

The tendencies toward an official enthronement of Pavlov came to fruition in June 1950, shortly after the publication of Stalin's papers on linguistics; this was an event, as we shall see presently, with which the Pavlovian revolution was closely connected. On June 22, 1950, *Pravda* announced that there was to be held a joint scientific session of the Academy of Science of the USSR and the Academy of Medical Sciences to discuss problems of the physiological theories of Pavlov. The session opened in Moscow on June 28. There were two keynote reports, given by Academician K. M. Bykov and Professor A. G. Ivanov-Smolensky. Seventy-five others followed. The theme of the occasion was struck by Vavilov, President of the Academy of Sciences, in the opening speech. The development of Soviet physiology since Pavlov's death, he said, had diverged from the "direct paths laid down by the great Russian scientist" into secondary bypaths. The center of gravity had shifted considerably from the "Pavlov line." The present session would be a turning point beyond which Soviet physiology would develop squarely in the Pavlovian heritage. This basic theme was developed by Bykov. It was a mistake, he stated, to think of Pavlov's teaching as a mere addition to physiology or a new chapter in its development. It would be more correct to divide all physiology, and all psychology as well, into two phases: the pre-Pavlov phase and the Pavlov phase.

[10] *Ibid.*, September 23, 1949.
[11] *Ibid.*, September 27, 1949.

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Bykov and Ivanov-Smolensky attacked the leaders of all the "deviationist" tendencies in Soviet physiology and medicine. Academician Orbeli, who until 1948 had directed the main Pavlovian institutes in the USSR, and had been recognized as the principal custodian of the Pavlovian heritage, was the foremost target. He was criticized primarily for his view that the principles of the conditioned reflex can explain only the more elementary forms of behavior, and that the existence of a "subjective world" must be reckoned with at the human level. Orbeli had written in 1947 that "in those temporary connections which Ivan Petrovich [Pavlov] studied, we have only the most elementary process of higher nervous activity." And he had called attention to the phenomenon in man of *resistance* to the formation of conditioned reflexes. Both of these propositions were now totally unacceptable. The conditioned reflex was to be regarded as a universal formula for all higher nervous activity, and no exceptions could be allowed, even at the human level, to the principle of total determination by conditioning. "Also incomprehensible," added Ivanov-Smolensky, "is Academician L. A. Orbeli's assertion that a qualitative singularity of man is the rise in him of a 'subjective world.' "[12]

The relationship of the Pavlovian doctrine to the transformist goals of the Soviet regime and to the Michurinist ideology was made explicit by Bykov and Ivanov-Smolensky. Pavlov, declared the latter, had aspired not only to study but also to *master* the phenomena being studied, to direct them, command them, change them in the required directions. Through a knowledge of the laws of conditioning combined with control over the environment, behavior could be conditioned in whatever ways were considered desirable. In addition, the conditioned connections, repeated for a number of generations, could "by heredity turn into unconditioned ones." The organic relationship between Michurinism and Pavlovianism in the minds of the Soviet proponents of these doctrines was reflected in the later appearance in Soviet writings of a new hyphenate expression: the "Michurin-Pavlov biology." According to this conception, the common basic principle of the two doctrines was the "law of the unity of organism and environment." The difference between them related only to the spheres of application of the basic principle. Michurinism applied it to agriculture, while Pavlovianism applied it to physiology, psychology, and medicine.

A notable detail of the Pavlov session was the frequent reference to hypertension, or high blood pressure, as foremost among the diseases which would prove amenable to therapeutic methods derived from the

[12] *Ibid.*, July 1, 1950.

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Pavlovian arsenal. This is interesting in view of the fact that Stalin himself apparently suffered from hypertension in a chronic form; according to the official announcement of March 4, 1953, the brain stroke from which he died resulted from his condition of hypertension. Whether or not the clinical interests of Soviet medicine were guided in part by Stalin's personal medical needs, the fact remains that the participants in the Pavlov session of 1950 devoted a remarkable amount of attention to the problem of hypertension. Both of the leading speakers, in particular, laid special stress upon a Pavlovian approach to the cure of this complaint. The Pavlovian view, as they developed it, was that this, like other internal diseases such as ulcers, is ultimately caused by a disordered state of the cerebral cortex. In technical Pavlovian terms, employed by A. L. Myasnikov in his speech at the session, hypertension is based upon "disorders of the first and second signal systems," i.e., the non-linguistic and linguistic systems of conditioned reflexes. This being so, therapy should concentrate upon bringing influence to bear upon the patient via the central nervous system. Ivanov-Smolensky mentioned sleep treatment, hypnosis, and suggestion as three specific techniques for possible use in this connection. Bykov alluded to some sort of linguistic therapy, saying that "speech can cause deep changes in the whole organism." Can it be that Stalin was in effect mobilizing the Soviet medical profession to discover a Pavlovian miracle treatment for his high blood pressure? The answer to this question must remain for the time being one of the intriguing mysteries of Stalin's reign. However, in view of what is known about the sustained efforts of Soviet specialists to satisfy Stalin's interest in pushing back the frontiers of human longevity, an affirmative answer to the question must be regarded as entirely possible.

Although problems of physiology and medicine largely dominated the deliberations of the Pavlov session, its momentous implications for Soviet psychology did not escape the minds of those present. A "reconstruction of psychology on scientific principles" was one of the tasks which the session's decree laid down for the specialists in this department of knowledge. Among those who addressed the session were two of the most prominent Soviet psychologists, B. M. Teplov and S. L. Rubinstein. Teplov's speech was a piece of abject self-criticism on behalf of Soviet psychology as a whole. The task of constructing a system of psychology based upon the teachings of Pavlov had not, he said, been fulfilled.[13] All of the existing textbooks and treatises on psychol-

[13] For understandable reasons, Teplov failed to add that this task had also not previously been set.

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ogy were "utterly unsatisfactory." Soviet psychologists had suffered from "a fear of the simplicity and clarity of the Pavlovian teaching," a fear which reflected in part the regrettable influence on Soviet psychologists of certain fashionable foreign schools in psychology. Now, however, Soviet psychology was entering upon a new stage of its development, the Pavlovian stage.[14]

There is abundant evidence to show that during the early postwar years the professional psychologists of the USSR were quite oblivious of the impending revolutionary reorientation of their science on the basis of the reflex principle. Reflexology in all its forms was viewed as an aberration of the 1920's, as a stage which had been traversed and transcended once and for all. Furthermore, there is nothing to suggest that the majority of psychologists regretted this. Reflexological concepts do not appear to be particularly congenial to their ways of thought. In any event, the irrelevance of the reflex concept to an understanding of the higher forms of human experience was taken more or less for granted. Teplov, for example, had written in 1947: "The explanation of all the phenomena of psychic life by the principle of the formation of associative or conditioned-reflex connections is, of course, utterly wrong. . . . By itself the theory of conditioned reflexes is not even adequate for understanding the physiological foundation of human behavior."[15] At the time it was made, this statement merely expressed a view which had come to be accepted with the force of dogma by all the leading figures of Soviet psychology.

That was how matters stood when the command was issued in 1950 for Soviet psychology to be radically reconstructed on the basis of the reflex principle. Implying as it did that this discipline had been on the wrong track for the past twenty years, the command came as a shock to those on the receiving end. It forced the psychologists to raise again the most fundamental problems concerning the concepts and methods of psychology. The pessimism and perplexity which this prospect aroused among the psychologists were reflected in an incident which occurred some time after the Pavlov session. A number of psychologists wrote a collective note to Ivanov-Smolensky, inquiring, "What is the subject of psychology and what are its tasks?" The note was signed: "Group of Psychologists Seeking the Subject of Their Science."[16] There is no record that they received a reply. According to

[14] *Pravda*, July 2, 1950.

[15] B. M. Teplov, *Sovetskaya Psikhologicheskaya Nauka za 30 Let (Thirty Years of Soviet Psychological Science)*, Moscow, 1947, p. 14.

[16] N. P. Antonov, "Dialekticheskii materialism-teoreticheskaya osnova psikhologii" ("Dialectical Materialism—The Theoretical Foundation of Psychology"), *Voprosy filosofii*, No. 1 (1953), p. 195.

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a Soviet source, in the aftermath of the Pavlov session many of the psychologists were "at a loss" in the face of the necessity it had proclaimed for a reconstruction of their science. This found expression "either in liquidator attitudes toward the subject-matter of psychological science or else in efforts somehow to cut themselves off from the Pavlovian teaching, to stand aside and wait it out until the reconstruction had taken place."[17]

The next major development was a conference on psychology held in Moscow in July 1952 and attended by over 400 psychologists from all parts of the country. Its task was to take stock of the results already achieved in the Pavlovian revolution and to chart its future directions. The conference admitted in its final resolution that the reconstruction of psychology was proceeding at an "inadmissibly slow" pace, and urged that the task be approached more boldly and resolutely. Professor A. A. Smirnov, the main speaker, declared that the reconstruction had to be fundamental and decisive. It had to extend to "the entire content of psychology." The psychological concepts had to be radically recast, purged of "all elements of idealism, subjectivism, introspectionism."[18] However, this did not mean, according to Smirnov, the reduction of psychology to physiology, the dissolving of psychological concepts into physiological ones. The concept of consciousness, for example, was not to be discarded, as some psychologists had proposed in this aftermath of the Pavlov session. Instead, it was to be so reinterpreted that all the phenomena of conscious experience could be strictly correlated, on the basis of the reflex principle, with their environmental determinants. Far from facing liquidation, psychology was destined to occupy a position of crucial importance among the sciences. By employing the theory of Pavlov, it would open up the subjective world of man to objective study and *thereby to regulation.*

V. The Pavlovian Model of Personality

The leading Soviet psychologies of the 1920's were characterized by their exclusive interest in overt behavior and by their emphasis on environmental influence. But in the new model of personality which emerged in the 1930's, the center of gravity shifted to the subjective side. The individual recovered his psyche. His overt behavior was now

[17] A. V. Petrovsky, "K itogam soveshchaniya po psikhologii" ("On the Results of the Psychological Conference"), *Voprosy filosofii*, No. 5 (1953), p. 261.

[18] A. A. Smirnov, "Sostoyanie psikhologii i ee perestroika na osnove ucheniya I. P. Pavlova" ("The State of Psychology and Its Reconstruction on the Basis of the Teaching of I. P. Pavlov"), *Sovetskaya Pedagogika* (*Soviet Pedagogy*), No. 8 (1952), p. 76.

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seen as a product of processes taking place inside him as shaped by his previous experience and the educational efforts of the Soviet state. While the principle of causality was not abandoned, there was a significant shift away from exclusive stress on environment. Soviet man was accorded in psychological theory a capacity for self-determination, for consciously regulating his conduct by norms and ideals which, though assimilated from the "socialist environment," were a genuine part of him and hence, supposedly, commanded his sincere and spontaneous allegiance.[19] This was in essence an optimistic conception. It presupposed that people growing up in the Soviet social order and subject to the formative influences which the state could bring to bear upon them through the family, the school, the press, and all the other channels of control would, in the vast majority of instances, develop true "Soviet selves." Once formed in this manner, the personality system would become an autonomous force in the individual's life, ensuring his loyalty to the regime, his conformity to its doctrines, and his allegiance to its goals.

Seen in this perspective, the Pavlovian revolution of the early 1950's marks an event of historical significance: the breakdown of the optimistic conception of man with which the Stalin regime had officially been operating for nearly two decades. It was a reflection of the quiet resistance of the majority of Russians to the Sovietization of their real selves, a resistance which had proved relatively immune to the massive propaganda pressures of the postwar years. The fact was that Soviet society, with all its controls and its immense resources for indoctrination of the citizenry, was not producing a generation of New Men. The optimistic model of personality endowed the individual person with a capacity of spiritual self-determination, but the results did not bear out the confident prediction of the 1930's. And there was nothing in the working model which would point the way toward the attainment of better results. Naturally, these implications were not openly acknowledged in the writings of the early 1950's that centered around the teaching of Pavlov. But they were omnipresent below the surface of these writings, and occasionally showed through unmistakably.

The attempted reconstruction of Soviet psychology was far more, of course, than a confession of the bankruptcy of the optimistic model of personality. It was also an expression of Stalin's iron determination to elaborate a new model which would answer the needs of his regime,

[19] In this brief summary of earlier trends, I have followed the interpretation set forth by Raymond A. Bauer in his important study, *The New Man in Soviet Psychology*, Cambridge, Mass., 1952.

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a truly workable model based upon a perfected technique of soul-forming which would leave nothing to chance and, if properly mastered, could not fail to achieve the goal. In his address to the psychological conference of 1952, Professor Smirnov formulated the goal rather candidly: "Soviet psychologists are confronted in all definiteness with the problem of the *formation of the personality of man*, the formation of it in the concrete social-historical conditions of people, in the conditions of our socialist reality, under the influence of the educational work of the school" (italics added).[20] Since the master-formula for the attainment of the goal was to be the conditioned reflex, the model of personality had to be revolutionized. *Man had to be understood as a being whose character and conduct are controlled at every step by the conditioning process, whose every psychic act is a reflex.* As Smirnov put it, "I. P. Pavlov's teaching on temporary connections is a firm basis for understanding *all* the conscious activity of man."[21] Thus the reflex mechanism was seen as an all-inclusive key to the workings of the mind. The basic premise of the new Pavlovian model of personality is that there is nothing in man that transcends in principle the conditioned salivary responses of Pavlov's dog.[22]

From this starting point, Soviet psychology inevitably moved back into a rigid environmental determinism. The leading spokesmen of the neo-Pavlovian movement never tired of pointing out that the Pavlovian model of personality is deterministic. The psyche's existence is not denied, but all causal determination is shifted to the external environment, natural and social. "The causes of psychological facts," says Smirnov in a typical formulation, "are influences emanating from without, primarily influences of a social character."[23] According to another authority, "Determinate agents of the external world are the cause, the impetus, of determinate activity of the organism."[24] In taking

[20] Smirnov, *op.cit.*, p. 78. [21] *Ibid.*, p. 76.

[22] For the sake of historical accuracy, it should be recorded that one N. P. Antonov, a psychologist from the town of Ivanovo, raised a lone and ineffectual voice of protest against this basic premise. In an article contributed to *Voprosy filosofii* (No. 1 [1953], p. 197), he wrote: "By attempting to reduce the whole psyche to reflexes, to temporary connections, we are thereby equating the salivation of a dog at the sound of a metronome with the most intricate phenomena of the spiritual life of man, with the conscious activity of people, with the brilliant creations of human intelligence in poetry, art, science, social and political life." Antonov's article immediately became the object of severe and concerted attack on the part of the other psychologists. But the quoted statement is valuable as an acknowledgment from a Soviet source of the full implications of the neo-Pavlovian trend.

[23] Smirnov, *op.cit.*, p. 67.

[24] V. P. Yagunkova, "Ob osnovnykh printsipakh reflektornoi teorii Akademika I. P. Pavlova" ("On the Fundamental Principles of the Reflex Theory of Academician I. P. Pavlov"), *Voprosy filosofii*, No. 3 (1953), p. 110.

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this position the Soviet psychologists saw themselves as applying to psychology the principle of the unity of organism and environment which the Michurinist doctrine had applied to biology. Just as Michurinism denied the existence of autogenetic forces in animals and plants, so neo-Pavlovianism denies the existence of psychogenetic forces in man. The result is to deprive the human being of all spontaneity, all inner sources of activity. He is jerked into motion, tugged this way and that, by "determinate agents of the external world" in which all causal efficacy resides. This is a view which might have been summed up in the slogan: Overboard with self-determination! It marked a clean break with the conception of the New Man. Employing the terminology of the American sociologist Riesman, the transition from the New Man to the Pavlovian model of personality can be described as a shift from an "inner-directed" type, whose character operates as an autonomous determining force in his life, to an "other-directed" type, whose behavior is guided by signals received from outside. In the Soviet version, however, the sole source of the signals to which the "other-directed" person responds is the State.

To the outsider who studies the materials of the neo-Pavlovian movement, nothing is more striking than its insistent endeavor to empty man of all inner springs of action, to visualize human nature as motivationally inert. Man is "hollow." He has no wishes, instincts, emotions, drives, or impulses, no reservoir of energies of his own. No motive is allowed to intervene between the stimulus emanating from the environment and the person's reflex response. Rubinstein, for example, protests vigorously against the notion that the individual has "inner impulses" (drives, instincts, tendencies, etc.) which underlie his reflexes and "guide the action of the reflex mechanisms in a direction desirable to the organism." His new view is as follows: "The Pavlovian conception of reflex action does not require and does not allow for any 'motive,' drive or impulse lodged behind the reflex, in the depths of the organism, which by some means unknown to us sets the reflex mechanism in motion."[25] True, a person's responses are seen as influenced to some extent by his habits, but these in turn are a crystallization of past conditioning and consequently an integral part of the system of reflex mechanisms.

The linguistic orientation which Stalin imparted to the neo-Pavlovian movement has already been touched upon above. In the reconstruction

[25] S. L. Rubinstein, "Uchenie I. P. Pavlova i nekotorye voprosy perestroiki psikhologiii ("The Teaching of I. P. Pavlov and Certain Questions of the Reconstruction of Psychology"), *Voprosy filosofii*, No. 3 (1952), p. 203.

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of Soviet psychology, the conception of the regulative function of language took on decisive importance. And it was at this point that Stalin's theoretical interests impinged most directly upon the new movement in psychology. In emphasizing the all-important role of language in conditioned-reflex behavior at the human level, the Soviet psychologists referred constantly to Stalin's *Marxism and Questions of Linguistics*, a series of papers which were published in the summer of 1950. The first and longest of these papers appeared in *Pravda* only two days prior to the announcement of the forthcoming Pavlov session, and this close coincidence in time is probably an indication of the intimate relationship in Stalin's mind between the linguistic doctrines which he enunciated and the revival of Pavlovianism in physiology and psychology. Such a relationship was, at any rate, taken for granted by the psychologists themselves.

The passages of Stalin's work on linguistics which are quoted most frequently by the psychologists are those in which he stresses the enormous significance of language in all departments of social activity, and the inseparability of language and thought. With reference to the first point, he writes that language is directly linked with every activity of man "in all areas of his work." It "embraces all the spheres of activity of man" and is "virtually unlimited."[26] Moreover, Stalin equates language with *word-language*, rejecting the notions about gesture-language and wordless thought which had been emphasized by the founder of Soviet linguistics, N. Ya. Marr. Thus, language to Stalin means word-language exclusively, it is inseparable from thought, and it penetrates and pervades every aspect of the social behavior of man. These propositions formed a starting point for constructing the new Pavlovian model of personality, which pictures man as a creature whose behavior is controlled and regulated by verbal signals.

The concept of the "second signal system" provided a connecting link between Stalin's generalities about language on the one hand and the theory of conditioning on the other. This concept is one which Pavlov casually developed in some of his later writings and in conversations with his students. The minor part which it played in his system can be judged from the fact that there are scarcely more than a dozen brief references to it in all his writings and recorded conversations. His idea seems to have been that word-language functions in the context of the individual human being's behavior as a system of verbal signals, higher-order conditioned stimuli which evoke indirectly the same

[26] J. V. Stalin, *Marksizm i Voprosy Yazykoznanii (Marxism and Questions of Linguistics)*, Moscow, 1950, p. 39.

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responses as those conditioned to non-verbal stimuli. One of the most striking features of the neo-Pavlovian movement is the disproportionately heavy emphasis which it places upon this minor appendage of the original Pavlovian system. Until 1950, the concept of the second signal system had been generally ignored by Soviet psychologists. Among the physiologists, the only two who gave it much attention were—significantly enough—Ivanov-Smolensky and Bykov. Then, however, it was lifted out of obscurity and erected as the central pillar of the new Stalin-Pavlov system of psychology. According to Rubinstein, "all the specifically human characteristics of the psyche" are revealed in the functioning of the second signal system.

The Pavlovian revolution placed great emphasis upon the semantic side of Pavlov's theory of conditioned reflexes. In fact, the Soviet neo-Pavlovianism of the early 1950's is essentially a theory of semantics constructed on a physiological basis. The foundation upon which the whole structure rests is, in the words of Bykov, the "principle of signalization." The concomitant of a stimulus, such as the sound of the metronome in Pavlov's well-known experiment with the dog, becomes a "signal" of the presence of the stimulus (in this instance, food) and evokes the reflex action appropriate to it. The totality of concomitants which in the natural life conditions of the organism take over the stimulus function and serve as signals constitute, in Pavlov's terminology, a "first signal system of reality." The first signal system is common to man and animals. But at the human level an "extraordinary addition" emerges in the form of speech. Speech is a system of signals of the second order—"signals of signals," in Pavlov's phrase. It forms in its totality a "second signal system of reality" which is peculiar to man and which, according to Pavlov, operates on the same fundamental laws as those that govern the conditioning process at the lower level. Finally, the generalized verbal signals comprised in the second system are assigned a position of hegemony in the life of man; the second system takes precedence over the first in orienting the human being in his environment. This is the substance of Pavlov's "wonderful idea" of the second signal system, which, according to Bykov and others, had heretofore been mistakenly ignored by Soviet science.

In using the phrase "signals of signals," Pavlov apparently had in mind the view that the word is a generalized "substitute signal" of the object it denotes and, as such, evokes the behavioral reaction appropriate to the object in the same way that the sound of the metronome evokes in the experimental dog the behavioral reaction appropriate to the signalized food. Since this line of speculation was outside the direct

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purview of his scientific work, he did not pursue it further. However, his present-day Soviet followers accepted it as the literal truth and made it the cornerstone of the new psychological theory which they had been ordered to build on a Pavlovian basis. The theory rests squarely on Pavlov's surmise that verbal substitute signals evoke behavioral tendencies or reactions in the same way that ordinary conditioned stimuli do. One writer, for example, illustrated the thesis as follows: "By mastering the word, that is, by learning to pronounce the appropriate auditory complex and to relate this complex correctly to specific objects, the child masters the significance of the given word. After that the word can play the part of a signal of signals: the word 'apple' can signalize the very same stimuli as those evoked by a real apple."[27] If, in other words, the sight of an actual apple lying on the table will cause a hungry child's mouth to water, hearing the word "apple" will eventually, after the proper language training, evoke a similar reaction. The function of words is, then, to trigger behavioral responses appropriate to the objects with which people have been trained to associate the words.

We may note here that this Pavlovian concept of the function of language is appropriate to a hypothetical primitive condition of man in which speech was exclusively an instrument of social control and had not yet acquired an autonomous representative function. By treating words as second-order signals to action, it overlooks the acquired *symbolic* function of language. The distinction between words used as signals to action on the one hand and purely as symbols of their objects on the other is illustrated by an American semanticist in the following way: "A term which is used symbolically and not signally does *not* evoke action appropriate to the presence of its object. If I say: 'Napoleon,' you do not bow to the conqueror of Europe as though I had introduced him, but merely think of him. If I mention a Mr. Smith of our common acquaintance, you may be led to tell me something about him 'behind his back' which you would *not* do in his presence. . . . Symbols are not proxy for their objects, but are *vehicles for the conception of objects*."[28]

The failure of the Soviet psychologists to recognize and take account of this crucial distinction is no mere accident. The practical importance which was discerned in the neo-Pavlovian movement, its electrifying educational implications to the Stalinist mind, depended entirely upon

[27] D. P. Gorsky, "O roli yazyka v poznanii ("On the Role of Language in Cognition"), *Voprosy filosofii*, No. 2 (1953), p. 82.
[28] Suzanne K. Langer, *Philosophy in a New Key*, New York, 1948, pp. 48-49.

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reducing language to its signal-function exclusively, upon regarding words as "proxy for their objects." The whole movement would have collapsed instantly had its initiator forced himself to consider the possibility that words can be employed purely symbolically as neutral vehicles for the conception of objects. The goal was to treat language as an instrument of social control. For this purpose it was imperative that words should always be signals which touch off responses appropriate to their meaning. Here was the needed link between semantics and politics. As Smirnov expressed it, the Pavlovian teaching reveals the conditions under which stimuli, including verbal stimuli, become signals "*and by virtue of this fact regulate the behavior of man*" (italics added).[29] On this view of the function of language, a person hearing the word "Napoleon" should indeed make at least a mental bow to the conqueror of Europe, or whatever other gesture his earlier conditioning had linked with this verbal signal. Or, to take a familiar example from the Soviet context, on hearing the signal "warmonger" a properly Pavlovianized Russian should respond with a shudder of fury. Granted the initial premise that the word is in every case primarily a call to action, linguistics logically takes its place at the head of the list of political sciences. Of all the monopolies enjoyed by the Soviet state, none would be so crucial as its monopoly on the definition of words. The ultimate weapon of political control would be the dictionary.[30]

At this point it may be useful to summarize briefly the argument of the foregoing pages. I have suggested that the movement initiated by Stalin to reconstruct Soviet psychology marked a decline of the optimistic conception of man which had officially prevailed in the USSR since the early 1930's. This in turn was an indirect reflection of the fact that millions of Russians, especially under the impact of their experiences during and after World War II, showed tendencies to deviate radically from the norm of Soviet selfhood which, according to the optimistic conception, they should have naturally assimilated as a result of their education and spontaneous personality development. In the face of this disturbing fact, Stalin resorted to the peculiar mode of coming to terms with perverse situations which we have termed "transformism." In the Pavlovian model of personality he found a formula which seemed to place human nature in the arbitrary power of a state-controlled educational environment. Emptied of all inner springs of character and conduct, man appeared in this model as a

[29] Smirnov, *op.cit.*, p. 68.

[30] It is of interest in this connection to note the extraordinarily intense activity, after 1950, in the writing and rewriting of dictionaries in the Soviet Union.

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passive plaything of determining influences from without, particularly influences of a social character brought to bear through the medium of language. By mastering the "objective scientific laws" of the language-conditioning process, the state could—theoretically—bring about the "directed alteration of psychic processes," i.e., it could transform the minds of its citizens, mold them in the Soviet personality image. The crowning concept of this theoretical edifice was the second signal system. In the Stalin-Pavlov model of man, the second signal system is the mechanism of mentality. Consciousness is the distinctive capacity of human beings to respond to and regulate their behavior by verbal signals. Man is basically a signal-receiving animal. And since it is the state which calls the signals, an appropriate name for this theoretical new species of Soviet humanity would be "state-directed man."

VI. The Counter-trend Since Stalin's Death

The interpretation offered here of the neo-Pavlovian chapter of Soviet thought assigns a crucially important place to Stalin. The evidence for such a view converges from a number of directions. First, there is the direct public testimony of Bykov, Rubinstein, and others that Stalin initiated the back-to-Pavlov movement. Secondly, the neo-Pavlovian movement was in its way an outgrowth, an extension to man, of the Michurin-Lysenko line in biology, which enjoyed Stalin's personal patronage. Further, it was closely linked up with the ultra-deterministic conception of scientific law which he developed in his final work on political economy. Finally, in its medical aspect, the movement impinged upon an area in which Stalin had shown all along, and especially toward the end, a most intense personal interest. These various indications of Stalin's role as the instigator and guiding spirit of the Pavlov revival lend special interest to the course which the movement has taken since Stalin died.

The Stalin-Pavlov line was not altered immediately after Stalin's death. As late as August 1953, Bykov was quoted in a Soviet journal as saying: "We must preserve the purity of the Pavlov teaching, which has affected all major issues of contemporary natural science."[31] But then subtle signs of a counter-trend began to appear. One of these was the move to topple Lysenkoism from its monopolistic position in biology. This emerged into the open in early 1954. Later in that year, the counter-trend went further. A prominent physicist, S. L. Sobolev, was permitted to publish an article in *Pravda* stating that scientific progress

[31] *Sovetskaya Kniga* (*Soviet Book*), No. 8 (1953), p. 33.

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"is always connected with the abandonment of preconceived points of view, with the bold breaking-down of old norms and conceptions." Sobolev attacked the previous disparagement of Einstein's physical theories by physicists of the Moscow University. He coupled this with a caustic reference to the unmerited claims of certain Soviet scientists to monopoly of the truth, mentioning three names in this connection: Lysenko, Bykov, and Ivanov-Smolensky.[32] To the psychologists, the inference could only be that the twin dictators of Stalin's neo-Pavlovian movement had fallen from the pedestal of official infallibility. The way was now opened for a reaction against this movement.

The reaction came shortly afterward in an editorial summation in *Problems of Philosophy* of the whole discussion of recent years on psychology.[33] The editorial did not attack Pavlov or question the importance of his teachings for psychology. But in various significant ways it undermined the Stalin-Pavlov line. It redefined psychology in pre-1950 terms as "the science of the psychic activity of man." Next, it announced—with something of an air of discovery—that psychic activity is both real and subjective in nature: "The subjective—man's psyche—really exists." (!) It reproached the 1952 conference on psychology for banning the introspective method. It told the psychologists not to be afraid of describing the rediscovered subjective world of man in terms of the traditional psychological categories: mind, feeling, will, imagination, etc. "This observation," it added, "we address to certain nihilistic tendencies in the matter of the so-called recasting or redefinition of the psychological terms and concepts on the basis of the Pavlovian physiology." The reader will recall that these "nihilistic tendencies" were part and parcel of the Stalin-Pavlov line. They expressed the very crux of what Stalin was directing the Soviet psychologists to do. Finally, the editorial referred in sharply negative terms to those who would "dogmatically apply to man" all the methods which Pavlov evolved in the study of animal behavior. The effect of all this was, of course, to revise the whole orientation imposed on Soviet psychology from high political spheres in 1950.

The counter-trend is still no more than a trend at the time of this writing. It could not be classed as a counter-revolution. There is no suggestion of a rejection of Pavlov or a denial of the relevance of his ideas to psychology. *What has apparently been discarded is, specifically, the Stalin idea of finding in Pavlov the scientific key to mind control.*

[32] *Pravda*, July 2, 1954.

[33] "O filosofskikh voprosakh psikhologii" ("On Philosophical Questions of Psychology"), *Voprosy filosofii*, No. 4 (1954).

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The new admission that "the psyche really exists" reflects something quite crucial—the abandonment of total environmental determinism in the sense that was implied in the Stalin-Pavlov line. This was made explicit in early 1955 in the first issue of a new Soviet journal, *Problems of Psychology*. The programmatic leading article was contributed by Rubinstein. In it he rejects the idea of determinism "as the theory of a cause which operates as an external impetus and directly determines the terminal effect of the external stimulus." This, as we have seen, is precisely the kind of determinism implicit in the model of the state-directed man. The verbal signals called by the state are supposed to determine directly his attitudes and acts. No intervention of the psyche as an autonomous inner force in man is allowed; no self-determination, no spontaneity, no motives are to be presupposed by psychology. Having formulated the deterministic principle as implicit in this model, Rubinstein continues: "It is easy to understand the invalidity of such determinism. All the facts of science and everyday observation testify against it. We may convince ourselves at every step that one and the same stimulus can evoke various different reactions in various different people. One and the same stimulus evokes different reactions in one and the same individual under various different conditions of that person. . . . External causes operate through the medium of the internal conditions which represent the foundation of the development of phenomena."[34] Here the principle of "autogenesis," the idea that the personality is to some extent an autonomous determining force in the person's life and behavior, is restored. The core of the Stalin-Pavlov line is cut away. The model of the state-directed man presupposes a one-to-one correspondence between the verbal propaganda stimulus and the individual's reflex response. It implies "direct" determinism in the sense here denied. Such determinism, concludes Rubinstein, "would signify the *complete disintegration of personality* and would lead to a defective mechanistic conception holding that each influence on a person has its own 'separate' effect irrespective of the dynamic situation. . . . The central link here is the 'psychology of personality.' This is the point of departure and the point of arrival for an adequate theory of motivation" (italics added).[35] Not only does this statement slough off the model of the state-directed man on behalf of Soviet psychology. It admits by indirection that the Stalin-Pavlov line en-

[34] S. L. Rubinstein, "Voprosy psikhologicheskoi teorii" ("Questions of Psychological Theory"), *Voprosy psikhologii*, No. 1 (1955), pp. 14-15.
[35] *Ibid.*, p. 17.

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visaged nothing less than the complete disintegration of human personality.

What are the policy implications of the counter-trend? The Stalin-Pavlov line, as shown earlier, was an expression of the Will to Transform which was operative in Stalin's postwar policies. It was a search for a sure formula of mind control which would yield techniques for the psychic transformation of human beings, rendering them plastically receptive to the official propaganda image of the world and of themselves and their tasks in Soviet society. Underlying it was the idea that "propaganda can do anything" if only the psychic conditions of receptivity to it could be scientifically set and controlled. This was a theory of environmentalism in which the state-operated organs of education and indoctrination were seen as the sole active sector of the environment, the determining environmental force. The remainder of the environment, including the material living conditions of Soviet people, would *not* have to be ameliorated in order to accomplish the transformist objective. The illusion of a happy life could be built up and maintained in Soviet minds no matter how miserable the actual living conditions might be.

If this aspect of transformism were subsiding in Soviet official thought, how might we recognize the shift? There would be some sign of recognition that propaganda, as it were, "cannot do everything," that actual living conditions would have to be improved in order to assure a better popular response to the regime and its goals. Policy, in other words, would be governed by a more pragmatic approach, one that combined continued heavy stress on indoctrination with some effort to ameliorate the real environment of the masses of Soviet citizens. The beginnings of such a shift in the policy orientation of the Soviet regime have, in fact, appeared. One of the most interesting manifestations of it is the recognition of the limitations of coercion and propaganda persuasion as means of controlling mass behavior. For example, the Central Committee's journal, *Party Life*, has recently written that private commercial "speculation" (classed as a "survival of capitalism") cannot be combated by legal regulation and propaganda alone. It is also necessary "to show concern for the all-round development of Soviet trade, the improvement of supplies for the population, and the creation of an abundance of consumer goods. Only on this condition will all ground for speculation disappear."[36] It is questionable whether "this condition" will soon or ever be realized under the Soviet economic system, but the statement itself is of real interest as an indica-

[36] *Partiinaya zhizn*, No. 11 (June 1955), pp. 39-40.

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tion of the decline of transformism in the regime's official thinking. An even clearer indication comes in a direct criticism by the Soviet philosophical journal of the tendency to overvalue the potentialities of propaganda. Some, it states, have reasoned "as though the survivals of capitalism in the minds of people could be overcome *solely by means of propaganda*, by means of education, while neglecting the solution of economic tasks, the necessity of steadily developing social production, which creates objective conditions for improving the material position and cultural standard of the people" (italics added).[37] But such reasoning, it contends, is mistaken. A policy operating "solely by means of propaganda" will not do. The inference is that the new Soviet leadership recognizes direct mind control of the kind Stalin sought as, at the least, an impractical proposition. In other words, it recognizes the imperative need to combine indoctrination with improvement of "objective conditions" if Soviet popular attitudes and behavioral patterns are to be altered in its own favor.

No substantial shift of internal Soviet economic policy has resulted from such recognition, although the Malenkovist stress on the consumer and welfare goals seemed for a while to point in that direction. The new sixth five-year plan is founded squarely on the traditional primacy of heavy industry. But within this framework there is still evident a cautious, pragmatic orientation toward economic meliorism. This does not seem to have been basically affected by the various shifts in the top leadership during the post-Stalin years. For example, the policy of raising material incentives for the Soviet peasantry, initiated while Malenkov was premier, has continued since his demotion. The recent reaction against Stalinist architectural extravagance is accompanied by a new stress on utilitarian modes of construction and "conveniences for the population." As announced at the Twentieth Party Congress, reductions of the 48-hour working week are planned. Tuition fees for schooling are to be eliminated in a return to the system that prevailed before 1940. Some particularly onerous regulations, such as the ban on abortion, have been repealed. Wages for the lowest categories of industrial workers are to be increased somewhat in the impending general reorganization of the system of remuneration for industrial labor. In these and other ways, the post-Stalin regime is making clear its renunciation of the idea that propaganda "can do everything."

The other expressions of Stalin's transformism reviewed in the early part of this study have suffered more or less the same fate as the Stalin-

[37] *Voprosy filosofii*, No. 2 (1955), p. 85.

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Pavlov line. The accompanying cult of necessity has also shown a tendency to subside somewhat, and the open criticism of *Economic Problems of Socialism in the U.S.S.R.* from the rostrum of the Twentieth Party Congress may foreshadow a modification of Stalin's rigid view on "scientific laws." Michurin, like Pavlov, continues to hold a very high place of honor in Soviet official opinion. But Lysenko's dogmatic version of Michurin*ism*, with its flashy promises to "make evolution," is no longer being pressed in the previous spirit of militant intolerance. The plan to "transform the face of the capital" by erecting huge skyscrapers has not only been dropped but openly attacked in Soviet writings. The "Stalin Plan for the Transformation of Nature" has faded away as a policy slogan, although many of the individual projects comprised under it are being carried out—some, such as the reforestation scheme, on a much reduced scale.

A Soviet academician has contributed to the *Literary Gazette* an interesting epitaph on the Stalinist Will to Transform. Answering a reader's question, "Can the weather be controlled?" he notes various advances in this direction, but cautions against expecting too much. It is wrong, he says, to believe, as some do, that the weather changes of recent years in Soviet Russia are connected with "the newly constructed reservoirs, hydroelectric power stations, canals and other such circumstances" (i.e., the "Stalin Plan for the Transformation of Nature"). "It must be borne in mind that fluctuations of this kind have taken place previously in the historical past. Thus, for example, temperatures which we experienced this summer [1954] in the central zone were also experienced in these parts in 1891, 1892, 1920, 1936, and 1938."[38] In other words, despite the colossal expenditure of effort to "transform nature" in Soviet Russia, the weather there is basically no different now from what it was in the reign of Czar Alexander III. The effect of the academician's remarks is to explode the presumption upon which the Stalin scheme was based. His message is that the scheme was faulty in its underlying preconception that the climate is at the present stage of science controllable by man. In a deeper sense, he seems to be saying that, if unlimited control is not now an attainable objective, the drive to attain it is irrational.

To paraphrase an epigram, politics as practiced by Stalin in the final years of his reign was an art of the impossible. Under the regime of his successors, Soviet policy appears to be executing a strategic retreat into the realm of possibility.

[38] *Literaturnaya Gazeta*, August 14, 1954.

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WEST GERMAN TRADE UNIONS

By OTTO KIRCHHEIMER

THE German labor unions are presently passing through a critical period. The outward portents of the crisis are clearly visible. The membership of the *Deutsche Gewerkschaftsbund* (DGB—German Trade Union Federation), which continued to climb regularly until 1952, is now stationary or, viewed in proportion to employment figures, slightly on the decline. Union headquarters ring with controversies between factions and personalities. The recent, predominantly Catholic, split-off from the DGB threatens to enlarge the hitherto minor area of rival or dual unionism; even a moderate enlargement of this sort would probably lead to an increase (as it did in France) in the indifference of the majority of workers toward all labor organizations.

These developments are taking place at a time of unprecedented boom, full employment, and a tight labor market; the critical state of the labor movement certainly cannot be ascribed to economic difficulties. Rather, its causes are in part rooted in the history of many decades, and in part related to the configuration of political and social forces in the postwar era.

I. The Burden of the Past and the Present Situation

The history of German labor is a history of high hopes and, more often, abject defeats. It closely parallels the history of the old *Sozialdemokratische Partei Deutschlands* (SPD—German Social Democratic Party) and its successor organizations. The assumptions, ideals, and goals of the SPD were shared by those actively engaged in elaborating the ways of German trade unionism. Both the SPD and the unions believed that democracy and satisfaction of labor's justified claims would be automatically guaranteed when industrialization and concentration had transformed the majority of citizens into a class-conscious body politic. This belief was congenial to the orderly and disciplined mind of the German worker of pre-World War I days. Unionists also shared the SPD's rejection of the reigning trinity of army, big business, and semi-feudal landowners. With the SPD, they went through the unrewarding experience of cooperating with the Kaiser's government during World War I as adjuncts to the official, patriotic bureaucratic machinery. The unions and the party were seriously divided over the problem of how to handle the increasing pressure from the ranks which demanded peace and favored labor initiative in changing the

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political order according to the old Socialist image. The power thrust on them in 1918 quickly slipped through their fingers. As a consequence, the labor movement split into a rudderless conservative majority and a resolute minority with revolutionary aspirations; after 1923, however, this minority came increasingly under the control of Moscow, a liaison that bore no meaningful relation to the interests of German labor. This political rift dominated German labor throughout the history of the Weimar Republic and, from the outset, weakened labor's chances to assume political and social importance commensurate with its numerical strength.

The majority, which had been induced to support creation of the Republic, defended the Weimar state on two grounds: It saw in the democratic order (1) the legitimate framework for the satisfaction of labor's claims, and (2) a shield against revolutionary onslaughts from right and left that endangered the very existence of the unions as free and independent organizations. Though continuing to appeal to its adherents under the guise of traditional Socialist ideologies, this majority group took on many of the characteristics of a party of expediency. It was unable to assert itself over the Communist Party, which was its chief competitor for the favor of the working class.

The Communists' numerical strength varied according to the fortunes of the Weimar Republic, but even at the Weimar regime's high-water mark in 1928, their voting strength never fell below one-third that of the Social Democrats. This numerical relation expresses only in part the loss of energy, good will, and confidence that resulted from a fratricidal fight in which the hard-pressed majority often found itself aligned with the repressive forces of the public order.[1] The minority —whether it operated as a separate Communist Party or as an oppositionist faction within the unions—was more interested in charging the majority with deviation from hallowed labor tradition than in making a record of its own.

The majority in turn relied increasingly on props provided by the government machinery. Wherever appropriate opportunities existed in the complicated constitutional framework of German federal institutions, the official labor movement took an active part in the administration of police, social security, employment exchanges, and so forth. It did so in an attempt both to protect the Republic from its enemies and to secure patronage and benefits for its own members. The administration of justice and the army and, by and large, the sphere of economic activities remained outside its reach. Yet in the public mind official

[1] Cf. Ossip K. Flechtheim, *Die KPD in der Weimarer Republik*, Offenbach, 1948.

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labor became saddled with responsibility for the conduct of all public affairs. By the early 1930's, labor became a victim of its own status quo mentality, as well as of political and economic circumstances over which it had but little control.[2] The top leadership of the *Allgemeine Deutsche Gewerkschaftsbund* (ADGB—General Trade Union Association) made some last-minute attempts to jettison its lifelong association with the SPD in favor of an arrangement with the new Nazi overlords, but these efforts were abortive.[3]

Ever since the days when a general strike was called to defeat the Kapp Putsch in 1920, both the SPD and the unions had shied away from mobilizing the active support of their followers. How the depression-haunted masses would have responded to a call to action in 1933 is not known. For, since the early 1920's, there had been developing an increasing gap between what the average worker hoped and expected, and what was being said and done by the reformist, government-affiliated bureaucracy of the SPD and the unions, or the pseudo-revolutionary, Moscow-connected Communist Party machine. Yet, inveterate mistrust of National Socialism's intentions left the workers no alternative but to continue passive support of the SPD and the *Kommunistische Partei Deutschlands* (KPD—German Communist Party) at the polls. But worker estrangement from traditional labor organizations continued nevertheless. Dwindling union membership indicated progressive loss of confidence on the part of the rank and file. The governmental machinery, in turn, represented the workers insufficiently and ineffectively. Therefore, it failed to evoke loyalty or profound attachment, even though its services were not easily dispensed with in a time of depression.

The workers' attitude during the Hitler era mirrors both the after-effects of the Weimar experience and the methods of the new masters. The new rulers guaranteed the workers full employment as a planned coincidence to the buildup of the machinery of aggression. At the same time, workers' representatives were barred from active political and social participation in public affairs. The workers adjusted to these conditions. As did everybody else, they drew some profit from the economic incidence of rearmament, but they felt neither responsible for nor sympathetic to the regime. There developed a trend toward

[2] Cf. Ludwig Preller, *Sozialpolitik in der Weimarer Republik*, Stuttgart, 1949.

[3] In spite of some occasional attempts at reconstructing trade union history, the fact of these last-minute efforts at voluntary *Gleichschaltung* is beyond doubt (cf. Wolfgang Abendroth, *Die deutschen Gewerkschaften*, Heidelberg, 1955, p. 34; Evelyn Anderson, *Hammer oder Amboss*, Nuremberg, 1948). For an argument in favor of a critical analysis of trade union history, cf. Abendroth in *Gewerkschaftliche Monatshefte* (hereafter cited as *G.M.*), April 1955, p. 260.

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passive obedience and protective withdrawal into privacy, which, however, did not rule out cautious preservation of a modicum of organizational contact with old friends. The SPD, the KPD, and the unions had been smashed by the Nazis, and a few renegades from their ranks defected to the victors; there were, however, many heroes and martyrs. This relatively good showing of labor's leaders was due not only to the emergence of active resistance fighters from labor ranks, but also to the policy of the new masters, who sought to destroy and eradicate rather than absorb the remaining nuclei of traditional labor organizations.

When the Nazi regime fell, labor, along with representatives of other persecuted and suppressed organizations, expected special consideration; it assumed that the occupying powers would give wholehearted support to its effort to rebuild free labor organizations as an integral and indispensable part of the reconstruction of German democracy.

The actual course of reconstruction, however, was determined more by the political needs of the occupying powers than by political and social images surviving among the remnants of pre-1933 labor leadership groups. Labor policies were increasingly affected by the deepening conflict between the major occupation powers. It was this conflict that shaped the framework of the different societies emerging in East and West Germany. Soviet policy brought about (1) the forced merger of the SPD and KPD into one official state party; (2) the use of the East Zone *Freie Deutsche Gewerkschaftsbund* (FDGB—Free German Trade Union Association) as a government auxiliary; (3) deportation of the German population from provinces detached from occupied Germany as well as from other parts of Eastern Europe; (4) wholesale dismantling of industrial plants; and (5) exploitation of production facilities for the benefit of the USSR. All these moves contrasted unfavorably, in German eyes, with the policies of the Western powers, and especially those of the United States. Whatever picture of a future Socialist society the older generation may have continued to hold in mind, they were inevitably confronted with the realities of the East German society under Soviet domination. The comparison between East and West was bound to be ruinous for the Communists. From that time on, German labor's image of undesirable societies was to be dominated by East Germany's Sovietized condition no less than by the traits of Nazism, militarism, and war; the Communist regime meant lack of political freedom, low living standards, and the rise of a new, utterly opportunistic elite. Careful and continuing Soviet attempts to

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disguise this reality by deliberate use of concepts corresponding to the traditional imagery of the labor movement met with little success.

But, granted that German labor knows what it does not want, what about positive concepts? In conformity with both its tradition and its more recent experience, the German labor movement was conceived after 1945 as a democratically organized force working within the context of a democratically governed state. Secondly, it was to be a unified labor movement, embracing all the different shades of democratically inclined unionism that existed under the Weimar Republic.

At the same time, new patterns of industrial organization were envisaged that would prevent future abuse of economic power for political ends. In the early postwar days, no one thought to deny that German industry, if it had not been solely responsible for Hitler's rise to power, had at least had a full share in establishing and running the regime both in peace and war.[4] Therefore, the demand for curbing the industrialists' economic power was more than just a traditional Socialist call. It was, during 1945-1947, almost universally seen as the political prerequisite to establishment of a German democratic state. This was a self-evident truth to the SPD, and also a basic tenet in all early program manifestoes of the *Christlich-Demokratische Union* (CDU—Christian Democratic Union) and its Bavarian affiliate, the *Christlich-Soziale Union* (CSU—Christian Social Union); it was also widely accepted by the *Freie Demokratische Partei* (FDP—Free Democratic Party), which otherwise advocated unfettered freedom of economic activity. Social Democratic, Christian Democratic, and unanimous union opinion also converged on the thesis that the introduction of planning patterns and public controls, with active participation of the unions, would serve to prevent economic depression and unemployment.

Serving as supporters of, and partners in, the various Allied-installed *Land* governments, the unions enjoyed enough respectability and had enough time to plan the future economic and social structure, while Allied-appointed trustees and former owners and managers ran the factories with the active support of the works councils. There were to be, as the unions saw it, three major economic innovations: first, the

[4] Trade union reactions to Louis Lochner's *Tycoons and Tyrant* (Chicago, 1954), the first full-fledged attempt to minimize industry's role in the rise and coming to power of the Nazi regime, have been sharp; cf. *Der Gewerkschafter, Monatsschrift für die Funktionäre der IG Metall*, 1955, No. 6/7, p. 31, which calls it "an extraordinary, clumsy attempt to distort and confuse the facts, in short, to acquit industry of its share in Hitler's crimes." For industry's role in Hitler's accession to power, cf. K. D. Bracher, *Die Auflösung der Weimarer Republik*, Stuttgart, 1955, esp. p. 441.

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traditionally advocated program of outright socialization of basic industries; secondly, participation of both works councils and trade unions in the management structure of each industrial enterprise (co-determination); and, finally, institution of higher-level public agencies to coordinate and perhaps even regulate activities of individual industrial establishments in both the private and the public sectors.[5] If these plans had materialized, the unions, heavily represented on all three levels in addition to functioning as bargaining agents, would have assumed vast public functions. Whatever the possible conflict between collective bargaining and the planning and managerial job, their combination would have given the unions a towering position on the German political scene while at the same time making them an integral part of the governmental structure.

Economic and political developments since the 1948 currency reform have made a shambles of these plans. Except for a problematic beachhead in the previously decartelized steel and coal industries, the unions have been thrown back to—some would even say, behind—their Weimar position of a market party bargaining for wages and labor conditions. This outcome was the result of two closely related factors: the strength and success of the so-called "free market economy," and the establishment of a West German state under a government that excluded the Social Democrats—a government that won a resounding confirmation of its four-year record in the federal elections of September 6, 1953. Organized labor's present crisis in Germany must be seen against the background of this chasm between its postwar hopes and expectations and the actual developments of the last six or seven years.

The present boom finds the German labor unions in an ambiguous position. They cannot and do not deny that their members, along with everybody else, have profited from the economic upswing which has been occurring within the framework of a privately operated capitalist society.[6] But they are not prepared, on that account, to renounce their constantly reiterated demand for a thorough transformation of the existing socio-economic structure.

[5] The program of the DGB had been outlined by Hans Böckler in his address to the convention in Munich that founded the DGB; cf. *Gründungskongress des DGB*, Cologne, 1949, Protokoll, pp. 183ff.

[6] The Research Institute of the DGB, however, contends that wage movements in recent years have been sufficient only to preserve the buying power of the wage and salary earners at their 40-41 per cent share in the net social product; cf. Bruno Gleitze, "Die Lohnquote im Spiegel der volkswirtschaftlichen Gesamtrechnung," *WWI Mitteilungen*, September 1955, pp. 183ff. These figures are considerably at variance with those cited in employers' publications; cf. F. Spiegelhalter, "Die Westdeutschen Löhne im Internationalen Blickfeld," *Der Arbeitgeber*, August 15, 1955, p. 539.

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Some critics have intimated that the German union leadership is no longer in a position to evade a clear-cut choice;[7] it must decide whether the unions will confine themselves to operating within the framework of democratic capitalism and will concentrate on getting the most out of it for their members ("business unionism"), or whether they will continue to insist on a radical transformation of the present society, which would in reality prevent them from obtaining for their members the maximum share of the national product.

In fact, the union leadership has had no such choice. Union leaders may not always be able to make clear why they do not feel "at home" within the framework of the social and governmental structure characteristic of the Bonn regime, and their inability to formulate their position may make the union stand look ambiguous and confusing to many rank-and-filers. But this does not alter the fact that the union leaders' ambivalent attitude toward the type of social structure they live in has been to a large extent, as we have seen, historically determined.

The actual operating conditions of German society, as well as the shadow of the past, have militated against a clear-cut choice. Unlike their American or even their British counterparts, German labor unions do not really believe that they are operating within the framework of a safely established social order. The state itself is provisional and subject to important structural changes if and when reunification does take place. Moreover, in the light of both history and present experience, the unions lack confidence in the impartiality and neutrality of the state as between the interests of capital and of labor; hence their tendency to rely as little as possible on the governmental machinery. But such self-reliance presupposes a greater amount of self-confidence than exists in labor's ranks at present. Labor's prevailing feeling of insecurity and doubt about its power has increased since management returned to positions of predominance in state and society. This insecurity is heightened by the fact that management is not prepared to abandon the workers to the embrace of the unions, and is fighting a tenacious and often successful battle for the loyalty of the workingman. This, in turn, fosters the inclination of the unions to press for new institutional safeguards (extension of co-determination privileges, institution of "economic chambers") which would permit them to face the

[7] This is the gist of Götz Briefs' argument in *Das Gewerkschaftsproblem gestern und heute*, Frankfurt, 1955. For a German union criticism of Briefs, cf. Helmuth Wickel, "Gewerkschaften als Gesellschaft," *G.M.*, December 1955, p. 713. For an American exposition of the dichotomy between the concepts of "trade unionism" and "labor movement," cf. C. Kerr, "The Trade Union Movement and the Redistribution of Power in Postwar Germany," *Quarterly Journal of Economics*, XLVIII (November 1954), p. 535.

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political and economic uncertainties of the future with greater equanimity. In all these endeavors, however, the unions are handicapped by the increasingly bureaucratic character of their organization and the accompanying lag in intensity of rank-and-file interest in union activities.

Both the historical burden and contemporary experience shape the present situation of the unions, and both must be kept in mind in evaluating labor institutions and policies in Germany.

II. Organizational Structure

A. Emergence of a Centralized Federation

The multifarious regional and functional unions which had sprung up under various Western occupation regimes after 1945 merged into the DGB in October 1949 at the Munich convention.[8] Unionists were in a hurry to establish a united labor front as their gift of welcome to the newly constituted Federal Republic. The accent lay on administrative centralization, maintenance of the principle of industrial unionism, and continuation of the by then well-established principle of independent and unified unionism as against politically or denominationally affiliated unions. The first emphasis led to a severe cutback in the prerogatives of the regional leadership, which had grown up in South Germany in particular in response to the needs of the early occupation period. The second principle, adoption of uncompromising industrial unionism, had already been foreshadowed in various mergers of the Weimar days.

The new union organization was to rest on a federation of sixteen industrial unions. But from the beginning, and much to the regret of many a district chairman, this plan led to the rise of dual unionism in the white-collar field. Unwilling to accept the *Deutsche Angestelltengewerkschaft* (DAG—German Clerical Workers' Association) as the sole representative of all white-collar workers, the leadership of the unions that were planning to federate, sworn to the fundamentals of industrial unionism, insisted on distributing the white-collar workers among the various industrial unions. The DAG refused. As a result, the DAG, which by 1955 was to number 420,000 non-manual workers among its members as against the 640,000 eventually organized in the DGB, found itself barred from the new federation.[9]

[8] A concise description, which, however, avoids criticism of organizational shortcomings, may be found in Abendroth, *Die deutschen Gewerkschaften, op.cit.*, pp. 42ff.

[9] The Social Insurance elections of June 1953, in which all insured salaried employees were entitled to vote, gave the DAG many more votes than it had members. Of 1,443,000 votes cast, 53.7 per cent went to the DAG, and 21.1 per cent to the re-

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But DGB chairman-elect Hans Böckler was determined not to brook another source of dual unionism. The practice of independent and unified unionism was to be based on a firm foundation. Delegates might fight on the convention floor over the election of the vice-president who was to be chosen from the camp of the former Socialist unions, but Böckler would not permit them to ignore the strength of the Christian union wing by allowing it insufficient representation on the executive board of the DGB. The executive board, as originally constituted, was made up of a president, two vice-presidents, and eight executive members (secretaries); Christian union representatives were elected to the posts of vice-president in charge of education and of executive member in charge of women's affairs.

As for the distribution of functions between the Federation and the individual industrial unions, the Federation was charged with representing labor in all fields of common interest, especially in social and cultural affairs; specific negotiations over wages and hours, industrial disputes, and relations with individual union members were reserved to the constituent unions. The DGB's share in membership dues collected by the industrial unions was to be 15 per cent; in 1952, this share was cut to 12 per cent; and in 1954 it was further reduced to 10 per cent. While routine decisions were to be taken by the eleven-man executive board (which was reduced to nine members in 1952), more important matters had to be submitted to the Council of the Federation, where the members of the executive board were joined by the presidents of the sixteen member unions. Experience since the formation of the DGB has shown that significant decisions require the open or tacit consent of the union presidents representing the metal workers, the public service and transportation workers, and the miners, whose total of three million members constitutes about half the total membership of the DGB.

The Federation's strength rests essentially on two foundations: (1) the lower-level and medium-level officers' confidence in the top leadership (in both the industrial unions and the Federation), and (2) the continued willing cooperation of industrial union leaders with the Federation's executive board.[10]

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vived *Deutschnationaler Handlungsgehilfenverband,* which probably had no more than 10,000 members. The DGB list drew only 18.2 per cent, that is to say, many fewer votes than it had organized salaried employees in its ranks. (Cf. DAG, *Tätigkeitsbericht,* Hamburg, 1951-1954, pp. 71-72.) Organizational strength among salaried employees runs generally much lower than among manual workers. At most, it is between 20 and 25 per cent, as against about 35 per cent for manual workers. (Cf. K. Brunlop, "DGB und DAG," *G.M.,* April 1954, p. 228.)

[10] The total membership of DGB-affiliated unions has, for all practical purposes, re-

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B. THE WANING AUTHORITY OF DGB LEADERSHIP

The German Trade Union Federation operated successfully so long as its direction remained in the hands of a president who enjoyed undisputed authority and prestige both within and outside the organization. Moreover, Hans Böckler's two-and-a-quarter years of stewardship (preceded by two-and-a-half years as president of the DGB's precursor) coincided with the formative period of the new West German state, when social trends and definitive power constellations had not yet crystallized, and when the new governmental setup needed the prestige of the union leadership to help consolidate the authority of the emerging political system. When Böckler died in 1951, employer-employee relations had begun to deteriorate, and a growing intimacy between the administration and the business community had become noticeable. Neither Christian Fette, Böckler's immediate successor (who after one-and-a-half years' tenure was voted out of office by the dissatisfied convention majority), nor Walter Freitag, the current president of the DGB, was able to capture the public imagination, and neither was able to command more than grudging loyalty on the part of the Federation's staff or the executive boards and officers of the constituent unions. To some extent, the lessening prestige of the leadership—actually of the entire executive board of the DGB—symbolizes the political and psychological hardships under which the unions operate today; it also reflects the fragility of an organization fashioned out of many elements of differing strength and structure.

Bureaucratic squabbles at the Düsseldorf DGB headquarters have also contributed to a lessening of the Federation's authority. For a short while they served to catapult Viktor Agartz, the co-chairman of the *Wirtschaftswissenschaftliche Institut der Gewerkschaften* (WWI—Economic Research Institute of the Trade Unions) in Cologne, into the limelight as a policy-molder. The nucleus of this institute, which now employs more than sixty trained researchers, was formed in 1946 to service the union federation for the British Zone. At that time, indi-

mained stationary since 1952; it was 6,004,000 in September 1952 and 6,104,000 in September 1955. During the same period, however, the total number of wage and salary earners rose from 15,400,000 to 17,000,000.

In 1950, all the trade union organizations together had 7,926 employees, as against 37,992 on the payrolls of industry and manufacturers' associations. (Based on figures given by Dr. Viktor Agartz at the third regular convention of the DGB, and published as *Wirtschaft und Steuerpolitik, Referat*, October 4-9, 1954, p. 26.) However, the increase of employees in the metal workers' organization, from 826 in 1950 to 1,271 in 1953, suggests some, although not necessarily proportional, increases in total union personnel. Cf. *IG Metall Geschäftsbericht, 1950-1952*, Frankfurt, n.d., p. 299; *ibid., 1952-1953*, p. 256.

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vidual unions had no research personnel whatsoever, and even today their research departments are small and confine their work mostly to the everyday problems of the union to which they are attached. Hence the importance of the Federation's research center in Cologne.

Since the approximately two hundred officials at the Federation's headquarters are concerned primarily with the conduct of day-to-day business, the WWI from the outset loomed large in the formulation of union policy. The critical and sharply pointed utterances of co-chairman Agartz of the WWI drew more publicity—and often hostile attention—than those of the elected union leaders. However, Agartz was only an appointed official; therefore, he was able to speak out in the absence of a Federation spokesman of undisputed authority only so long as he caused no embarrassment to the DGB board and the presidents of the major unions. When their confidence was withdrawn as a consequence of disputes within the Cologne institute, Agartz went into eclipse.[11]

For the time being, at least, the presidents of the big industrial unions not only enjoy complete autonomy in their own bailiwicks, but also have ample opportunity, if they so choose, to advance suggestions of a wider policy nature; thus DGB headquarters is being relegated more and more to the role of a clearinghouse of ideas. This general weakening of the federal structure makes itself felt down to the level of the local officer, who had partaken of the recognition and esteem extended to the top leaders. To some extent, an energetic and enterprising head of a major industrial union may have a chance, at least in the minds of his union members and officers, to take Böckler's place. But the recognition accorded such union leaders is limited, and does not go far beyond narrow union confines.

Industrial unions compete with each other for prestige and power in the area of wage policies—where there is a lack of coordination, and where "first come, first served" is the practice—as well as by means of variations in union benefits.[12] Although, apart from strike allotments, union benefits (which merely supplement social-insurance payments in the event of sickness, old age, or death) are not substantial,

[11] Dr. Agartz' contractual relation with the WWI was terminated on December 31, 1955. The future of the WWI remains unclear; it is still possible, though unlikely, that the WWI will lose its organizational independence and be relegated to the status of a subdivision in the DGB's Economic Department. Meanwhile, Dr. Agartz and a colleague who also was released from the WWI have begun publishing a newsletter devoted to critical analysis of union problems and economic affairs in general.

[12] Cf. the critical remarks of F. Fricke in "Konstruktive Gewerkschaftspolitik," *G.M.*, June 1955, p. 337, and the discussion contributed by H. Seeger, chairman of the woodworkers' union, in *ibid.*, p. 435.

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they do constitute, from many a member's viewpoint, one of the union's greatest attractions.[13] Attempts of financially less opulent unions to enforce some over-all benefit plan for all DGB affiliates, as provided for by the 1949 charter, have so far led to nothing more than the appointment of study committees. However, a well-developed system of arbitration serves to prevent differential benefits from becoming a lasting source of jurisdictional conflict. An individual union member is not free to shop around for the most "profitable" union; however, blocks of members may be shifted from one union to another on the strength of DGB-initiated arbitration decisions.

Financially solid unions—be they large or small—enjoy a great measure of administrative independence in building up union services and facilities. Weak unions, such as the organization of farm laborers, have to rely on the Federation to help them carry on their collective bargaining or set up educational facilities. They are the ones who would most favor the re-establishment of a more effective and authoritative DGB leadership.

III. The Unions in Action

A. Unions and Public Policy

Background and political ancestry have left a lasting imprint on the active unionist's analysis of the present situation, and on his understanding of the role he is to play in contemporary German society. Official, often elliptical, statements by union spokesmen to the effect that the unions represent the interests of all those employed in dependent positions manifestly refer to three fields of activity: (a) wages, hours, and working conditions; (b) social welfare; and (c) pressure politics.

From the late 1940's on, German unions have again been seeking the degree of control of the labor market that they had in Weimar days; to the bargaining and power position of private property and public administration, they oppose the bargaining and power position of organized labor in order to set the price of labor and to determine working conditions.

In the period immediately following the currency reform and during the early years of the Bonn regime, the unions, under Böckler's stewardship, still clung to the idea that wage demands should be deemphasized in favor of a steady price structure, fuller employment,

[13] The 1952 DGB convention voted on a motion to introduce directives for equalization of benefits among unions; however, the motion did not obtain the two-thirds majority necessary for statutory changes. Cf. *Protokoll des 2. ordentlichen Bundeskongresses*, Berlin, 1952, p. 34.

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and increased investment. In part, this doctrine was based on the assumption that self-restraint might help labor to obtain a larger share in industrial management, and thus lead the way toward industrial democracy. To a greater extent, the policy had its roots in the obsessive fear of most union leaders that inflation might result from a wage-price spiral. In the mid-1950's, when there was full employment and a functioning market, this voluntary restraint in the exercise of normal labor-market functions was abandoned. There was substituted for it a doctrine inspired by Agartz. Union statements now argue that wage increases are necessary to underpin consumer demand and to secure labor's full share in the national product.[14] In advocating the reduction of the statutory work week from 48 to 40 hours and the cutting-down of actual weekly working-time from an average of 50 to about 45 hours, and in urging adoption of a five-day week without loss of pay, the unions are exercising their labor-market function under especially auspicious circumstances.

As a rule, collective bargaining is industry-wide on the regional level. Thus, agreements that are arrived at extend to the most advanced as well as to the marginal producers. This breadth of coverage deprives the agreement of much of its meaning, because exact conditions cannot be prescribed for an entire industry. The setting of actual wages, which often run about 20 per cent above the contractual ones, becomes the subject of agreement between management and works council in particular plants. Whether the unions, facing determined employer resistance to a change, will be able to arrive at more realistic bargaining units embracing smaller segments of an industry, or at direct agreements with key employers, is open to question.

The union performs its functions in the field of social welfare in two ways: (1) it operates as a kind of mutual-aid society extending benefits to its own members; and (2) it cooperates with governmental labor authorities and employers by serving as agent of the insured workers in the framework of private or public social-insurance institutions.

The third major area of union activity is in the political field. As every social group does in the normal course of its activities, the unions bring pressure to bear on governmental agencies to ensure maximum benefits for their members. In addition, in the light of Germany's specific political history, labor organizations tend to arrogate to themselves

[14] V. Agartz, *Staat, Wirtschaft und gewerkschaftliche Lohnpolitik*, Cologne, 1954. For the course of trade union wage policies, cf. Nathan Reich, "Germany's Labor and Economic Recovery," *Proceedings of the Academy of Political Science*, XXVI, No. 2 (January 1955), pp. 47-63.

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the role of guarantors of the democratic process. Labor refuses to be considered as just another group among many in a pluralistic society. As Alfred Weber, patriarch of "cultural sociology" and in recent years philosophical adviser to German labor, puts it, organized labor stands for specific human values not inherent in any other group.[15] It does not derive this role from the quantitative aspect alone, i.e., from the fact that labor, under conditions of advanced mass society, represents a larger part of the population than does any other group. Beyond the sheer impact of numbers, the labor leaders' analysis of past history and present trends in German society leads them to believe that they speak for the only group dedicated by virtue of conviction and self-interest to the maintenance and preservation of German democracy.[16]

This leads labor to view present-day parliamentary institutions with a great deal of skepticism. In its view, the working of these institutions depends on, and is impaired by, (1) the enormous power wielded by a huge bureaucracy of "experts," and (2) the close tie-in between the present administration, its parliamentary majority, and certain special-interest groups among which labor is conspicuously absent. The interplay of these factors, it is held, obstructs normal political channels and vitiates public opinion to the point of making the German parliament unrepresentative.

Given these views, labor's relationship to the government is necessarily ambiguous. In the immediate interest of those they represent, labor organizations participate in a number of public functions. Further, they defend and uphold democratic government against its Communist and rightist detractors. But few union people identify themselves with the present governmental setup, because, in their view, it is not nearly democratic enough. This attitude is more than a fleeting displeasure with the actions of those who happen to be at the helm according to the rules of the parliamentary game. So far as devoted unionists—Socialists as well as most Christian Democrats—are concerned, the present Germany simply is not their state; it is the state of the others, of big bureaucracy, big business monopolies, big organizations of special-interest groups, and perhaps—as some old-line Socialists might add in conspiratorial whispers—the big hierarchy of the Catholic Church. These Bigs, in the unionists' view, have gradually

[15] Cf. *Gewerkschaften im Staat: Drittes europäisches Gespräch 1952*, 1955, p. 181.

[16] This same point is made in V. Agartz' speech at the 1954 Frankfurt DGB convention, published as *Wirtschaft und Steuerpolitik*, *op.cit.*; in ÖTV chairman Kummernuss' speech at his own 1955 convention, reprinted as *Gewerkschaften in Staat und Gesellchaft*, Stuttgart, May 1955; and, in somewhat less elaborate form, in metal union co-chairman Brenner's speech at his convention in September 1954, published as *Die Aufgaben unserer Gewerkschaft in der gegenwärtigen Situation*, Frankfurt, 1955.

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and methodically taken over the machinery of government and are modeling it to their liking.

This feeling need not last forever. Adolf Kummernuss, president of the Industrial Union of Public Service and Transportation Workers, speaking at his union's convention in the spring of 1955, said: "If one day the function of the liberal-democratic *Rechtsstaat* should change, so, too, would the position of the labor unions within this state."[17] The feeling of the unions that they are facing a governmental structure usurped by "the others" is not in any way a manifestation of militant dissent inspired by the revolutionary image of a different state, a different government, and a different society; it is merely a mild expression of widely shared reservations about the Bonn Republic's narrow social, psychological, and territorial basis. This attitude of muted reserve is at times accompanied by an almost mystical certainty that the future will rectify the congenital weaknesses of the West German state.

In spite of an occasional slip into the vernacular of former times, German unions reject as unrealistic any undifferentiated approach to the "bourgeois state," according to which (assuming the fiction of a homogeneous and united working class) there would be a fundamental change in social and political institutions as a result of labor's "conquest of political power." They are convinced that such "conquest," even if it were successful, would create conditions and problems much worse than the ones confronting the unions today. To this extent, the arrangements of a pluralistic democracy predicated on the recognition of the needs of all social groups are accepted as final.

B. UNIONS AND BIG BUSINESS

Expressing anxieties and apprehensions that are deeply felt by the rank and file, union leaders voice grave doubts about whether present boom conditions will go on indefinitely. Nor are they convinced that those

[17] Kummernuss, *op.cit.*, p. 31. One might attempt to correlate the displeasure of the union leadership at prevailing political conditions with the membership's attitude toward present wage levels, especially since the workers used to hold the government and the retail trades responsible, along with employers, for insufficient real wages. In 1952, workers were asked the following question: "Do you believe that workers, by and large, earn decent wages in West Germany?" The answers broke down as follows: 25 per cent, good wages; 37 per cent, barely sufficient wages; 35 per cent, insufficient wages; 3 per cent, don't know (cf. E. P. Neumann and E. Noelle, *Antworten*, Allensbach, 1954, p. 106). The Mannesmann inquiry, carried through in the summer of 1954 by the *Institut für Sozialforschung* in Frankfurt, had the following results: 59 per cent of those earning below DM 300 per month were satisfied with their wages; satisfaction was expressed by only 48 per cent of those earning DM 300-400, and by 45 per cent of those in the DM 400-500 wage bracket (cf. *Betriebsklima, eine industriesoziologische Untersuchung in Mannesmann Bereich* [mimeographed version], Frankfurt, 1955, p. 48; hereafter cited as Mannesmann study).

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now in control of the German economy will be able to ensure industry's continuous and satisfactory operation. Moreover, they insist that, contrary to government propaganda, the German economic system, even today, is full of privately imposed or publicly decreed restrictive patterns.

Not that the union leaders believe in the desirability and practicability of a fully competitive system; they do not even oppose with any degree of consistency the restrictive patterns they decry. In fact, occasionally they themselves advocate measures favorable to restraint of trade: cartelization and the spread of monopolies. The miners' union, for example, strives hard to prevent dismemberment of the tight coal-sales organization on the ground that miners in many marginal mines would lose their livelihood if competitive prices determined the price of coal. Union leaders are not particularly inclined, either, in the present climate of opinion, to overemphasize the demand for transferring major sectors of industry into some form of public ownership; they seem to realize that such a move, besides lacking in popular appeal, would not essentially contribute toward furthering their objectives.

But again and again they argue emphatically that a basic pattern of industrial democracy—even on a limited scale—must be established; they urge action to this effect, eloquently pointing to the always latent and now once again manifest abuse of political power inherent in the present structure of industry, and to the urgent need of preventing the dangers of a new business slump. As spokesmen for those most directly affected by changes in the level of employment, the unions insist that the system of labor participation in management's economic decisions, which is now limited to the steel and coal industries, must be extended beyond these to comprise all major industries. In addition, they argue that economic stability requires the establishment of public agencies of economic control, jointly operated by representatives of management, labor, and public, that will have jurisdiction over entire industry groups, and that will supervise these groups and, if need be, correct managerial decisions on the plant level.

Union leaders add that monopolistic business, far from conceding to these demands, does its utmost to turn the process of reconcentration now in full sway into a powerful tool for undermining and rendering meaningless what little progress in labor participation has been achieved in coal and steel. Management scarcely objects now to labor representation on boards of directors, for in individual corporations these boards are rapidly losing their importance. But no labor representatives are seated on boards of the newly formed holding companies, which today

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determine industrial policy.[18] Labor leaders angrily brush aside industry's answer that there can be no functioning democratic society, or exercise of labor-market functions, unless the principle of private ownership of means of production remains intact, and unless the owners retain complete responsibility for decisions affecting production and investments. Labor's spokesmen contend that that kind of democratic society has never existed in Germany, and that German industrial management has never at any time displayed a willingness to abide by its rules whenever they have run counter to the interests of those in control of economic power.[19]

The age-old antagonism between union and industry, after having subsided for at least part of the first postwar decade, has reappeared. It bears on principles rather than on concrete decisions. However, management and labor cooperation on boards of directors thus far has not given rise to any difficulties. Present boom conditions prevent more than an occasional full-dress flare-up of the basic antagonism; but when a clash does occur, all the bitterness of former days is unleashed, and labor and industry perform their traditional parts.

The much-discussed problem of the political strike presented just such an issue. Some political strikes had taken place during the occupation era; these had been directed against the public authorities and, still more, the foreign masters, rather than against the employers. Generally, they were regarded as patriotic demonstrations designed to bring the pitiable conditions of the people to the attention of those in power. Political strikes in the early 1950's were different, however. They were avowedly meant as acts of pressure to introduce, preserve, or extend labor participation in management. Some of the patterns of union participation in the coal and steel industries originally established by the British military government were retained under Bonn legislation partly as a result of the strike threat issued by the unions and supported by a unanimous strike vote taken in the mines and the steel plants at the end of 1950.

Union and SPD efforts to pass legislation extending the scope of co-determination were frustrated by the government and its parliamentary majority in 1952. This resulted in a political strike in printing, which, however, proved abortive. The latest political strike occurred

[18] The labor viewpoint is expressed in Erich Pothoff, *Zur Geschichte der Montan-Mitbestimmung*, Cologne, 1955.

[19] The co-determination problem has been amply discussed in American publications; cf. the literature noted in Kerr, *op.cit.*, p. 522, and Herbert J. Spiro, "Codetermination in Germany," *American Political Science Review*, XLVIII (December 1954), pp. 1114-27. Cf. also H. C. Wallich, *Mainsprings of German Revival*, New Haven, Conn., 1955, p. 309.

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in 1954; it was a one-day walkout in protest against a statement by industry leader Paul Reusch characterizing the 1950 strike threat as a successful attempt at blackmail.

Neither employers nor the overwhelming majority of the legal fraternity have been willing to acknowledge the ubiquity of pressure politics in a democratic society, and the consequent difficulty of differentiating between respectable economic activity and illicit political pressure.[20] The issue remains in abeyance. Meanwhile, union attitudes toward rearmament, for example, have shown that labor leaders acknowledge the authority of the federal legislature and will not challenge political decisions which have become the law of the land.

The unions nonetheless continue to assert that political pressure in favor of broad legislative and political aims, even if it takes the form of political strikes, is as permissible as are the pressure tactics of management, which are no less effective for being applied behind closed doors. The irreconcilable views held by management and labor on the subject of the strike as a political weapon serve as another indication of the fact that, in Germany, political notions revolving around the state as a repressive authority never yielded to or merged with those conceiving of it as a dynamic expression of community life with ample latitude for divergent social and political forces.

IV. The Unions in Politics

A. THE PROBLEM OF NEUTRALITY

Unions, according to their leaders, are organized for political action; yet these very same leaders would immediately hasten to add that need for political action should not be mistaken for party politics. The distinction made by union leaders between neutrality toward political organizations (though they are never neutral toward Communism or Fascism) and neutrality toward political goals is of recent postwar origin. The neutrality toward "political" organizations that is called

[20] The legality of the "political" strike is affirmed in R. Schmid, "Der politische Streik," *G.M.*, January 1954, p. 1, and F. Bauer, "Politischer Streik und Strafrecht," *Juristenzeitung*, 1953, p. 65. Schmid's article aroused a vehement controversy not only because of its content, but also because of Schmid's job. Many newspapers, members of the legal fraternity, and representatives of industry thought it improper for a president of a Court of Appeals to utter opinions of such a nature. J. H. Kaiser (*Der politische Streik*, Berlin, 1955) thinks of the political strike as "a primitive weapon of self-help." *G.M.* (May 1955, p. 326) gives an analysis of a public discussion between the Jesuit union theoretician Nell-Breuning and the vice-president of the Bundestag, C. Schmid; the latter distinguishes between pressure on the parliament before a decision has been taken and the fact that "the trade unions have no choice other than to accept a decision of Parliament—as they have so far always done."

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for by all union charters primarily implies two things: (1) no union organizations shall take a stand on issues involving the church and religious beliefs, educational philosophies, or whatever else may be viewed as having a relationship to *Weltanschauung*; (2) unions will not subsidize or otherwise support "political" organizations.

However, in contrast to the practice in France, German union officers are not barred from running for political office. On the contrary, the unions want their officers to hold political office so that they can support union demands on whatever political bodies they might be elected to. Political neutrality thus becomes a difficult proposition for unions whose leaders and officers are in politics. There are strong tendencies afoot among both traditionally Socialist and traditionally Christian unionists toward reverting to the Weimar pattern, when all unions were more or less closely affiliated with specific political parties. Christian unionists constantly complain about disregard shown to their interests and personnel claims by the solid majority of SPD-minded unionists. Conversely, the more radical among the Socialists chafe under the DGB leadership's perennial efforts to ward off everything which might offend the sensitivities of or infringe upon the position awarded the Christian minority. One union intellectual who was interviewed in the course of preparation of the present article saw the Christian wing as an automatic brake that arrested progress whenever the unions were about to take a step forward, but which was immediately released whenever they decided to go into reverse.

B. THE SPD: TRADITIONAL MAINSTAY

In the parliament, labor's interests are mainly the concern of the SPD and the CDU. These two parties drew about 78 per cent of the total vote cast in Germany's last federal election.

The Social Democratic Party (28.9 per cent of the popular vote and 151 out of 487 Bundestag seats) is the group with the largest membership (over 550,000) and also the group that is the most homogeneous with respect to both traditional outlook and social composition. By and large, it represents the interests of wage and salary earners, the lower-level civil servants, and the urban consumers in general. Only occasionally do conflicts arise between the interests of these groups. From time to time, impelled by those who believe that a program favoring the independent middle class would improve the party's chance of shedding its minority status, the SPD takes a few halting and generally unrewarding steps in this direction. But the SPD has by no means exhausted its historical voting reservoir. It gets little more than half

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the votes of the manual workers, and a considerably smaller share of the white-collar and civil-service vote. Those in the party who see the prospects of a broader mass appeal in a more energetic and consistent representation of labor and, above all, of the industrial wage earners are likely to remain in the majority as against those who urge that the party should try to appeal to other social strata.

Accordingly, the SPD is apt to uphold the union viewpoint on all major issues. Only in the few instances when organizations equally worthy of support from the SPD's point of view (such as the DAG and DGB) happen to be in disagreement does the SPD try to steer a neutral course, proffering its good services to both contenders. In view of the SPD's friendly feeling toward labor, the actual number of union officials among SPD parliamentarians matters less than do problems of adequate coordination, division of labor, and selection of qualified spokesmen for key political jobs. If there is, in the SPD, a nucleus of an interest group that may pursue objectives not in line with union policies, it will be found in the ranks of present and past holders of political offices and government jobs, a group inclined to identify itself with "the state" or "the public order" as against the demands of any particular social group.[21] In a number of instances, the wish to retain certain administrative positions may involve such officeholders in a public policy inimical to union demands. At present, this is at worst a problem on the lower level, in the *Land* administrations and municipalities, in which the SPD is still firmly entrenched. The SPD's semi-permanent opposition status on the federal level has not allowed much opportunity for such conflicts of loyalties, familiar to students of Weimar Germany or of the Labour regime in Britain in 1945-1951.

C. THE CDU AND DUAL UNIONISM

The situation is quite different in the CDU-CSU. In contrast to its ancestor, the Catholic Center Party of Weimar days, the CDU has acquired, all over Germany, a wide electoral following among both urban and rural middle classes, both Protestant and Catholic. Its labor vote, although very numerous in North Rhine-Westphalia, does not seem to have increased in the same proportion in other regions. While there is reason to assume that wage and salary earners account for possibly more than 50 per cent of the CDU's national vote, it is not likely that industrial wage earners provide even as much as one-quarter of the

[21] Viewed in this context, R. Wildenmann's attempt in *Partei und Fraktion* (Meisenheim, 1954, p. 28) to draw more far-reaching conclusions from the organizational separation between parties and unions seems unjustified.

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total CDU vote. This, of course, makes it difficult for CDU union people to get a platform favorable to the unions adopted as official party policy.

Labor representation within the CDU-CSU consists of three distinguishable, though often overlapping, groups. There are, first, the officeholders and active union men from DGB-affiliated organizations. In the face of a conflict of loyalties, their allegiance in the past has generally gone first to the union from which they derived their power and status. Ever since the triumph of Hitlerism, these men have been opposed to every semblance of dual unionism. Therefore they are in principle opposed to recent tendencies to set up rival Christian unions in various industries. Also, they would think twice before abandoning their jobs and pension claims, as well as those of their followers, for the sake of an uncertain future in a rival Christian union organization.

Secondly, there are, among labor's representatives in the CDU-CSU, full-time politicians who once came from the ranks of the pre-Hitler Christian unions, and who now hold strategic positions within the CDU either as labor experts or as political leaders and organizers. Their standing in the party often depends on the loyalty and response they may expect to evoke in the ranks of Christian unionists. Their attitude toward the prospect of a separate Christian union ranges from reserved to unfriendly.

The third group of CDU-CSU labor representatives may be said to include CDU parliamentarians whose main field of endeavor is in the *Katholische Arbeiterbewegung* (KAB—Catholic Workers' Movement), which is massed chiefly in North Rhine-Westphalia, the *Werkvolk*, which operates in Bavaria and the Palatinate, and the *Christliche Arbeiterjugend* (Young Christian Workers). In all three of these Catholic lay organizations, major appointments are church-controlled; and their activities and personnel are to some extent church-financed. Membership figures are not very meaningful, as they include wives and pensioners: for KAB and *Werkvolk*, together, they may be in the neighborhood of 200,000.

From the end of the war to 1955, these organizations, which have a half-century history of disputes and rivalry with Christian labor unions, performed spiritual, welfare, and political functions, but were not engaged in union-type activities. Yet the main current drive for the setting-up of a separate Christian union originated precisely within the ranks of this group.[22]

[22] A rival Christian union organization was officially called into being in November 1955 under the name *Christliche Gewerkschaftsbewegung Deutschlands* (CGD—

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In the long run, the strategic position of the Christian labor wing, whether it operates within the context of a unified labor movement or as an independent organization (which at the very best, might attract up to 10 per cent of the DGB membership), could be appreciably enhanced only under two sets of circumstances: (1) if the present parliamentary majority disintegrated to the point of making Christian labor support a vital problem to the CDU-led government, or (2) if a new majority should crystallize which would include both SPD and CDU and make Christian labor an indispensable bonding factor between the two by virtue of both its labor and its religious orientations. This possibility of an SPD-CDU majority has figured prominently in the stand taken by Christian labor politicians of independent stature, such as Jakob Kaiser, Federal Minister for All-German Affairs, or Karl Arnold, former Minister President of North Rhine-Westphalia. It has not dispelled their profound distrust of experiments in dual unionism. Apparently, preservation of a unified DGB seems to them more likely to provide steppingstones for a political realignment, if one day it should be deemed desirable or inevitable.[23]

D. LABOR AND THE BUNDESTAG

Labor's attempts to find enough supporters in the Bundestag for its legislative programs have been only partially successful. Liaison officers on both the DGB and the industrial-union level have worked around the clock, and publicity campaigns of considerable magnitude (including, as in the case of labor's 1955 "action program," delivery of copies to all households in the Federal Republic) have been carried through. So far such endeavors have not changed the parliamentary situation: if labor demands concern some question of social policy, such as children's allowances, or a monthly paid rest-period for working women, labor support in the ranks of the CDU will gather strength and collect a nucleus of seventy to eighty socially oriented CDU-CSU members. Either they will be strong enough to force an internal group com-

German Christian Trade Union Movement). It has the financial and moral support of the Christian Trade Unions International, and is presently engaged in organizing some eighty to ninety locals, most of them in the Catholic areas of the Rhine-Ruhr region. For more detailed data on the KAB, cf. R. Breitling, *Die Verbaende in der Bundesrepublik*, Meisenheim, 1955, pp. 153-57.

[23] *Soziale Ordnung*, the publication of the *Sozialausschüsse* (a skeleton organization which may be called the CDU's labor arm), quotes in its issue of November-December 1955 the speeches of both Karl Arnold and Jakob Kaiser, as well as an official resolution of the Executive Committee of the *Sozialausschüsse* of November 5, 1955. All reject the moves of the Even-Winkelheide CGD group, and accept instead a proposal of DGB chairman Freitag to convene a committee to set up means for protecting minorities within the DGB.

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promise within the CDU-CSU which, if not completely in line with labor's demands, will be acceptable to the unions, or, in an extreme case, the measure will be carried through the Bundestag with the help of a split CDU and the 151 solid SPD votes. The same kind of thing may happen in the exceptional case when agricultural and labor interests converge, as they might, for example, on the question of allowing special taxation privileges for cooperatives. However, if the issues concern institutional patterns, such as the organization of labor courts or the question of whether the insured (as under the Weimar Republic) should continue to have a two-thirds majority in the administration of the public health benefit fund, labor support within the CDU dwindles. In the most recent battle over the law regulating employee representation in government service, which involved the degree of participation by office personnel in setting rules and standards for office work and for hiring, promotion, and dismissal practices in public administration, labor support among CDU-CSU members dwindled to 34 out of 194 voting, which was too small a group to force an intra-CDU-CSU compromise acceptable to labor.[24]

The most important vote on the domestic front during the first Bundestag was that on the labor-management law of 1952, which rejected labor's demand for extending "co-determination" beyond the coal and steel industries. On this question, only a handful of CDU members either abstained or voted for SPD amendments. The final roll call records one CDU member voting with the SPD and seven CDU abstentions, as against 122 CDU votes for the majority.[25] After the vote, the unions conceived the idea of showing openly their dissatisfaction with the political orientation of the first Bundestag by intervening in the September 6, 1953, election with the slogan, "Elect a Better Bundestag!" This was as close to electioneering on the part of the SPD as is the Catholic clergy's habitual support of the CDU-CSU when it asks Catholics to "vote only for a Christian party." The outcome of the 1953 election was discouraging to the unions; it resulted in a new array of Christian demands for safeguarding the neutrality of the DGB and for giving the Christian minority a firm hold on major positions of power within the Federation. However, neither in the fall of 1953[26] nor in the fall of 1955 (when the same demands were reiterated prior to the founding of the CGD) was the DGB leadership

[24] 2. *Deutscher Bundestag*, 73rd Session, Bonn, March 17, 1955, p. 4044.
[25] Cf. the SPD pamphlet, "Das Betriebsverfassungsgesetz im Bundestag," Bonn, 1952.
[26] Enumeration of the individual demands may be found in *IG Metall Geschäftsbericht, 1952-1953, op.cit.*, p. 9.

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(including the Christian unionists in its ranks) prepared to accede to such ultimatums.

V. The Worker and His Union

A poll was recently taken among some working-class youths in Hamburg, asking them to define their understanding of the term "proletariat." Sixty-seven per cent of the male and 80 per cent of the female interviewees were unable to relate the word to anything whatsoever; 7 and 3 per cent, respectively, thought it to mean "worker"; 12 and 4 per cent thought it meant something degrading; and only 3 and 1 per cent, respectively, related it to traditional class concepts.[27] Though the results might vary somewhat with older age groups, the phenomenon remains the same, as might be seen from the experience of trade union organizers at traditional May Day festivals; not only are they very poorly attended, but those who do attend have difficulty understanding what they symbolize. Those who organize them, old-timers of the German labor movement, are always relieved when the day approaches its close.

All this confirms a state of affairs apparent during recent years. Workers in general have ceased to consider themselves a specific class with a specific mission. This does not mean that caste distinctions have disappeared, especially between manual and white-collar workers. But these distinctions no longer congeal into total political ideologies. Many factors have contributed to this. The prosperity of the 1950's, while multiplying group claims, has not been a favorable soil for the rebuilding of class ideologies. The experience of East Germany, known to all and personally lived through by many, has had a similar effect. Memories of Weimar days are dim and, at best, confused. Only 18 per cent of today's union members belonged to unions in 1933. The good old times, when Socialism attracted the minds and hearts of the members, may still live in the memories of the old-timers, but they live only there. The bureaucratic patterns of present-day unionism, with their inevitable concomitant of low rank-and-file interest in union affairs, may compare unfavorably in their eyes with the situation during the

[27] H. K. Lüth, U. Lohmar, and R. Tartler, *Arbeiterjugend gestern und heute*, Heidelberg, 1955, p. 346. The amount of literature interpreting the state of mind and job attitudes of German workers is growing steadily. The impressionistic sketch by Karl Bednarik (*Der junge Arbeiter von heute*, Stuttgart, 1953) was followed by the more weighty studies by Carl Jantke (*Bergmann und Zeche, die sozialen Verhältnisse einer Schachtanlage des nördlichen Ruhrgebietes in der Sicht der Bergleute*, Tübingen, 1953) and by Th. Pirker, S. Braun, B. Lutz, and F. Hammelrath (*Arbeiter, Management, Mitbestimmung*, Stuttgart and Düsseldorf, 1955), as well as by the Mannesmann study (cf. note 17).

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Weimar period. However, severance of ties between unions and political parties has lessened the chance for the re-emergence of a militant image of the history and tradition of German working-class organization in the minds of the rank-and-filers.

This devaluation or sheer absence of tradition is a contributing cause of the workers' concentration on the concrete situation of the day, and their tendency to interpret their situation in strictly personal terms. Marxist critics dub this state of affairs the *Verbürgerlichung* (the acquisition of middle-class mentality), but in applying this term to the workers, they assume a class-consciousness on their part—an awareness of another and better order and a need to dissociate their claims from those of other groups by way of an elaborate theory—which simply does not exist. The workers' attempts to do the best they can under prevailing circumstances, which is characteristic of other social groups as well, may contain an element of resignation, but it scarcely carries the germs of a systematic attempt to set themselves apart from the rest of the community.

Resignation and complaints concern concrete working conditions. The workers often express these with a certain feeling of helplessness, of being exposed to the dictates of anonymous persons and processes whose workings remain mysterious and beyond their reach. The tendency prevails to translate remote and unintelligible processes and command structures into proximate and approachable ones; problems revolving around working conditions in relation to authorities within reach are tackled on a concrete, personalized level. Improvements are visualized in terms of personal standing; widening or narrowing possibilities are seen within the present organization of work. Satisfaction and dissatisfaction with wages are related to a colleague's remuneration rather than to general principles or abstract standards. The workers' disillusionment with the poor results of co-determination schemes does not derive from the failure, obvious by now, to shift power relations between management and the unions, but from the fact that the hierarchical structure of the shop and the worker's daily work experience have been but little affected by the attempts.[28]

The complex structure of authority faced by the individual at work includes management, the works council, and the union. From the viewpoint of the worker, none of these is either completely inimical or unreservedly friendly. To a varying degree, the actions of all of them confine his freedom, but they also contribute to his well-being.

Two of these authorities, management and the works council, often

[28] Cf. Pirker, *et al., op.cit.*, p. 330; and Mannesmann study, *op.cit.*, pp. 207ff.

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appear to the worker as complementary rather than competing institutions. Management provides the direction and the frame of his daily work; details and possible adaptation of his interests to those of the shop are determined by negotiations between management and works council.[29] Yet the works councils, and especially those in the so-called co-determination plants of the coal and steel industries, are plant- rather than union-oriented. With the management of the plant, the works council debates problems of job description and individual performance which determine the actual content of the pay envelope within the wide and loose framework of collective agreements. The manifold voluntary social services which German industry prefers to higher wages, and which also help to lower corporation taxes, remain within the province of management and, much to the discomfiture of the union, outside the sphere of the union-negotiated contract.[30] The works council, however, may have a say in the details of the matter. The works council becomes a harmonizing agency, a sort of buffer between management and the worker, rather than an organ which takes an initiative of its own. That is why the worker will remember a favorable measure initiated by the management more often than a plan submitted by the works council.[31]

Wherever co-determination privileges bring members of the works council still more closely together with management, by virtue of statutory representation on the board of directors, a new stratum of industrial functionaries, to some extent sharing management prerogatives, makes its appearance. The sphere of management may thus tend to include a privileged upper stratum of the working class.[32] To what extent such privileged groups can be effectively controlled by their constituents, the workers, is a matter of conjecture. Workers' com-

[29] For an analysis of management-worker relations in German industry, see the interpretative sections of Pirker, *et al., op.cit.*, pp. 345-436, and the somewhat more cautious description in Mannesmann study, *op.cit.*, pp. 287-369.

[30] Henry Lillich, manager of the *Evangelische Aktionsgemeinschaft für Arbeiterfragen*, speaks of "a corruption of trade union consciousness by exaggerated voluntary services of the enterprise" in "Zum Weg der deutschen Gewerkschaften," *G.M.*, May 1955, pp. 281 and 285.

[31] Mannesmann study, *op.cit.*, pp. 134 and 135. Harold Koch, the works director of the Höschwerke, when discussing the Communist works-council election victory at the Westfalenhütte, said: "The greatest fault of the works council was that it debased itself by abandoning the role of a parliament in order to become a part of the executive [i.e., management]." His rather controversial speech has been reprinted in full in *Bergbau und Wirtschaft*, IX, No. 3 (March 1956), p. 110.

[32] Pirker speaks of "an integration of the top of the social cadres into the informal organization of social management" (Pirker, *et al., op.cit.*, p. 422). Group differentiation in shop structure leading to "a pathologically small fluctuation of top worker strata" is dealt with by Lutz in *ibid.*, p. 392.

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plaints about lack of information from the full-time member of the works council are frequent.[33] The possibility of exercising control over elected officers is limited. The workers can hardly do more than refuse to renew the officers' mandates when they come up for re-election at the biennial works-council elections. They have made frequent use of this prerogative in recent years; the turnover among works-council members has been heavy.[34] Full-time members of the works council, who normally are the ones to deal with management, are more difficult to replace than those who may give only part of their time to works-council or union activities.

Within this authority structure, the union has come to hold the last and the most uncertain place. Of the elements involved, it is the only one that does not operate within the plant. Union efforts to remedy this shortcoming by invading management's sphere have left but few marks. In the coal and steel industries, there are, of course, the union-nominated "labor directors," a function that corresponds closely to that of vice-president in charge of labor relations in an American corporation. But since the unions have not succeeded in establishing industry-wide bodies to coordinate this participation in management, they have lost all hold over their nominees. From the workers' viewpoint, the labor director is just another member of the upper hierarchy. Though he may be better known to the workers than are other members of management, few of the workers ever have direct contact with him.[35] Lately, union spokesmen have gone out of their way to say that this new managerial element, which has risen from its ranks, should be regarded as representing management rather than the union.[36]

There are also, as we have seen, union members on the boards of directors of corporations. However, under the 1952 labor-management law (*Betriebsverfassungsgesetz*) applicable to the majority of enter-

[33] Braun, in *ibid.*, p. 424; Mannesmann study, *op.cit.*, pp. 255ff.

[34] Within the jurisdiction of the metal workers' union, 43.8 per cent of those elected to the works councils in 1953, and 43.9 per cent of those elected in 1955, were new members (cf. *Gewerkschafter*, 1955, No. 8, p. 38).

[35] Fifty-six per cent of the interviewees in the Mannesmann shops could name their labor director (Mannesmann study, *op.cit.*, p. 102). Only 22 per cent had talked with him (*ibid.*, p. 105).

[36] Cf. Agartz, *Wirtschaft und Steuerpolitik, op.cit.*, p. 12, and Pirker, *et al., op.cit.*, p. 419. In the recent wage dispute in the steel industry, labor directors had a full share in crossing the policies of the management of the metal workers' union (cf. "Neue Lohnkampftaktik an der Ruhr: Arbeitsdirektoren im Kreuzfeuer gewerkschaftlicher Kritik," *Frankfurter Allgemeine Zeitung*, December 1, 1955; also the speech of Harold Koch, *op.cit.*, p. 116, in which he calls wage questions in co-determination plants "internal enterprise problems," and postulates something very close to the trade unions' renunciation of strikes and strike threats in such plants. Cf. also the critical comment, "Mitbestimmungsrecht und Streik," *Gewerkschafter*, 1956, No. 1, p. 1.

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prises other than coal and steel, only few of the union representatives on the boards of directors come from outside the plants. Within the narrow confines in which the worker may choose between a union officeholder or a fellow worker, he prefers to entrust his mandate on the board of directors to a man from the shop. By 1954, of 116 directors' seats in the metal industry which the law permitted to union nominees not on the payroll of the corporation affected, only 37 had actually gone to outsiders.[37] It is doubtful whether this practice is likely to contribute to a more effective representation of the workers' interests; but it does at least permit the chosen rank-and-filers to add to their wages the handsome remuneration that frequently goes with the director's seat.[38]

Another avenue of establishing contact with the affairs of the individual enterprise looks more promising. The unions see to it that union members in every individual shop elect union shop delegates. Unlike the works-council elections, this is not a public election, but generally an informal affair regulated by the bylaws of the individual unions. The delegate gives the unionized worker the feeling of having a person to turn to with his personal difficulties; the delegate will represent the worker before both the works council and management.[39] The works council—if its members care to be re-elected—usually will prefer not to turn down requests insisted upon by the union delegates. At the same time, the shop delegate, who has no legal standing so far as management is concerned, will have to rely more closely on the support of the union than the works council does. The delegate serves as a link between the factory worker and the union. To what extent this voluntary institution becomes an important factor in the daily life of the workers depends on both the energy of the local union officials and the intensity of interest among the workers themselves.[40] To some extent, works council, shop delegates, and lower-level supervisors compete with each other for the confidence of the worker. The worker's closeness to or estrangement from the union or the works council is

[37] *IG Metall Geschäftsbericht, 1952-1953, op.cit.*, p. 120.

[38] The DGB has created a so-called "Co-determination Endowment" into which labor members on boards of directors, whether they come from union or from works-council ranks, pay 20 per cent of their emoluments, to be used for scholarships for workers' children and similar purposes (*DGB Geschäftsbericht, 1952-1953*, p. 405). By the end of 1955, over half a million DM had been collected in this way.

[39] Thirty-one per cent of 1,176 Mannesmann workers chose their works-council representative as the one showing greatest concern for their interests; 24 per cent chose their immediate superiors; and 21 per cent chose their shop delegate (Mannesmann study, *op.cit.*, p. 111).

[40] For the trade union viewpoint on relations between union shop delegates and works councils, cf. C. Georgi, "Gewerkschaft und Betrieb," *G.M.*, November 1955, pp. 660-63.

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indicated by how often he turns for advice or information to the shop delegate, the member of the council, or his immediate supervisors.[41]

The question has sometimes been raised why workers adhere to unions. Union benefits, membership as a precondition for a desirable job, family tradition, antagonism to management practices, or simply the fact that the unions are regarded as representatives of the workingman have all figured in the answers.[42] It might be argued that many of these reasons are weaker than they once were in view of the present generation's distrust of ideologies and its rational calculation of its interests; but there remain the closely interrelated problems of solidarity and anxiety lest present jobs and good times should vanish. Recent studies have shown not only that job security is the most important determinant in the worker's attitude toward his job, but also that the feeling of job insecurity is more widespread among younger workers than among old-timers.[43] This does not imply that the worker specifically expects the union to help him stay on the job; he knows that this will be determined not only by seniority, but also by his standing within the factory organization. His joining is the outcome of a much more primitive and undifferentiated feeling. Whatever the future may bring will be easier to face without the additional hardship of isolation. Questioned about the occasion for their joining a union, interviewed workers most frequently said they had been "invited to join by a fellow worker."[44] Of all the answers recorded, this certainly was the most non-committal. Although it hints at some element of coercion, it characteristically expresses many workers' fears of being left unprotected in the face of an untoward turn of events.

What permits the unions to retain a place, however ill-defined, in the workers' system of allegiance is this unspecified feeling of solidarity against the possibility of an uncertain future, rather than the concrete objectives that the unions have advocated or the movement's practical successes. The unions' chance of commanding obedience among their members has been greatest whenever the issue at stake involved pure questions of political and organizational power. They were able to mobilize the workers for a program of co-determination, which, as the employers pointed out, was neither well understood nor always approved by the workers.[45] One of the reasons that the unions' authority

[41] Mannesmann study, *op.cit.*, p. 115.

[42] A. Mausolff, *Gewerkschaft und Betriebsrat im Urteil der Arbeitnehmer*, Darmstadt, 1952, p. 98; a youth sample is given in Lüth, *et al.*, *op.cit.*, p. 348.

[43] Pirker, *et al.*, *op.cit.*, p. 267; Mannesmann study, *op.cit.*, p. 71.

[44] Forty-one per cent of the Darmstadt sample gave this answer (Mausolff, *op.cit.*, p. 98).

[45] The results of this inquiry, originally made for an employer group (cf. Neu-

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remained unimpaired in this particular field was that works councils and workers agree that political questions can only be solved on a higher level. Moreover, the immediate stake of the worker in a political issue is somewhat smaller than it is in a wage dispute. Any political strike, since it is on a wider front, is not likely to last as long as a strike for higher pay. A political strike does not endanger the worker's labor contract; one way or another, it is resolved on the governmental level.

Allegiance to the more remote union organization hinges on the attitudes of groups that have first claim on the worker's loyalties. Existing precedents make uncertain, for example, the extent to which a union can rely on worker allegiance in a wage dispute if an agreement over the issue has been reached between management, works council, and shop delegate which the union has not approved. Not only have there been instances when a union's attempt to carry on a *Land*-wide strike has met with only partial success, but also, quite recently, a number of wildcat strikes in individual plants were conducted with the approval of the works council against the express wishes of the union involved. On the other hand, it should be pointed out that the workers' response to the union campaign for a shorter work week was both positive and disciplined, though it was not enthusiastic, since it implied possible loss of cherished overtime pay.

When a new works council is elected in an individual plant, the union's influence in that plant increases if the incoming works-council members are all unionized. While, in general, the unions still carry most of the works-council seats, the number of non-union works-council members has recently been on the increase: between 1953 and 1955, it rose from 19.6 per cent to 21.4 per cent in industries that had contracts with the metal workers' union.[46] Since works-council members are not elected according to political preference, their political affiliations are not always known; it may be assumed that 40 to 50 per cent are close to the SPD. However, recent increases in members without known political affiliation indicate a certain increase in Communist strength more clearly than do some of the spectacular victories of avowed Communists, since Communists often go out of their way to describe themselves as politically unaffiliated. A Communist's chances

mann and Noelle, *op.cit.*, pp. 98 and 158), have meanwhile been confirmed by the Mannesmann study, *op.cit.*, pp. 197 and 343ff. However, the latter points out correctly that lack of information on, and knowledge of, the working of an institution does not exclude approval, once its functioning has been explained to its presumptive beneficiaries. I would add that, in politics, people often accept something purely on the strength of their confidence in the person who drafted the recommendation, without bothering to inquire about why's and how's.

[46] Cf. *Gewerkschafter*, 1955, No. 8, p. 38.

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of being elected to the works council depend on his and his non-Communist predecessor's personal qualities, rather than on his politics. There is evidence to show that workers try to distinguish between an individual's politics and his fitness for a works-council job. There have been cases when the entire Communist Party, in a particular locality, drew fewer votes in a political election than did a single Communist candidate for the works council in a local factory election. To the union, however, the election of a Communist, even though he be a union member in good standing, means that its position on the factory level is weakened and that a competing center of authority has begun to operate.

Prosperity, the decline of labor militancy, concentration on personal pursuits, and the rise of the plant-oriented works council as the focal point of the laboring man's orientation in industrial relations have all loosened the workers' ties to the union. So far, there are few signs to indicate that the beginning of manpower shortages, and the tactical advantages derived therefrom by the unions, will reverse the present situation and enhance union influence. An intelligent union officer recently called the German trade unions "a fleet in being"; that is, it is not the present activities of the unions, but expectations of their possible radius of action under changed economic circumstances that count with the worker. Prosperity may continue, and paternalism, local understandings on the working level, and some union prodding may continue to make for an economic pattern acceptable to labor. But if prosperity should not last, or if an economy bursting at the seams and threatened by inflation should produce acute problems in the allocation of the social product, then the worker may present his draft on the union. The decisive trial of German labor organizations lies in the future. The patterns which have developed during the last decade may, then, not persist; they may even cease to be meaningful.

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THE UNITED STATES AND JAPANESE ATOMIC POWER DEVELOPMENT

By DANIEL WIT*

with the research assistance of

ALFRED B. CLUBOK

MANKIND'S latest technological triumph—the ability to split certain atoms and harness the resultant energy for either destruction or construction—constitutes one of the most provocative developments in modern international relations. It not only creates the greatest opportunity for suicide yet available to humanity; it also introduces a new stage in the scientific, industrial, and technological revolutions which have given modernity its primary characteristics. For atomic power constitutes an entirely new source of energy capable of supplementing or even of replacing that traditionally derivable from fossil fuels and falling water. Moreover, the amounts of fissionable matter necessary to produce it are so small, in contrast to existing sources of power, that problems of fuel transportation are almost completely eliminated.

Viewing this great addition to human capacity to harness nature, an advisory panel to the Joint Committee on Atomic Energy of the United States Congress has recently and wisely reported that "Atomic power may be the most tangible symbol of America's will to peace through the peaceful atom."[1] In fact, we might also add, it may be one of the most dramatic and effective means by which the West can meet and rebuff Communism's effort to shape the future of the less well-developed nations of the world. Today, most of the peoples of the earth obviously are organizing their physical, intellectual, and psychological capacities to increase their material well-being. They are doing so not merely to improve their standards of living but also to heighten the quality of their independence. In the face of this global rebellion against age-old conditions, there can be little doubt that the availability of nuclear energy constitutes a challenge to and an opportunity for American international leadership. Most of the world must be convinced that economic self-development can be reached rapidly in areas which have

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[1] "Peaceful Uses of Atomic Energy," Report of the Panel on the Impact of the Peaceful Uses of Atomic Energy to the Joint Committee on Atomic Energy, 1, Washington, D.C., January 1956, p. 97.

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not yet created the social and economic characteristics on which Western well-being and democracy are founded. The West must prove the compatibility of democracy and rapid material advancement.

The American and Western interest in Japan—both economically and strategically—requires no elaboration here. Three questions vital to that interest do, however, demand some answers: to what extent does Japan need the electrical energy obtainable from nuclear fission; is atomic power feasible in Japan; and, finally, what is the best means by which American atomic power assistance can be provided if this form of energy does prove to be both needed and feasible? Reasonably sound responses to these questions may have tremendous importance for American and Western survival in this era of "competitive co-existence." Certainly, the maintenance of a Japan which successfully resolves her material problems without resort to authoritarian methods can be claimed as a major victory by all proponents of democracy and international well-being.

I. A Survey of Japanese Power Resources

The transformation within three-fourths of a century of an isolated Asian island people into a major world power has been an occurrence of great historic import. The fact that this was in large measure a bootstrap operation has made it all the more remarkable and has gained for the Japanese considerable pre-eminence among non-Westerners. A primary component of the complex of factors which facilitated this climb to international importance was the quantity of electric power which Japan was able to generate. It was that power which provided the means by which capital formation and access to cheap domestic labor and Asian raw materials could be welded by government and business leadership into a significant level of industrialization.

In much the same fashion as the British, then, the basically resource-poor Japanese undertook to found their modern existence on a high energy economy capable of processing and then reselling imported raw materials and foodstuffs. Despite past accomplishment, however, Japan now faces the need to make major adjustments in its economy if the previous gains are not to be lost completely. Such adjustments, which must occur within Japan's existing basic pattern of economic behavior as a manufacturer and processor of goods for world markets, require greater electrical energy production than ever before.

Despite past and present Japanese economic dependence upon the level of electricity generated, the nation's power resource structure is inadequate to meet its currently emerging requirements. In the case of petroleum resources, for example, Japan's entire production in 1950

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was 2,066,000 barrels, or the equivalent of about one day's production of the American East Texas field. Domestic production now supplies no more than from 5 to 10 per cent of annual petroleum products consumption. For obvious reasons, then, this particular liquid energy occupies an understandably minor position in the Japanese economy.

Coal, the other great fossil fuel, plays a much more extensive role in Japanese life, but it, too, is inadequate to meet mounting energy needs. Prior to World War II, it was estimated that Japan could supply about 95 per cent of its coal requirements, though per capita reserves have been estimated in recent years at only 220 metric tons as compared with 4,200 tons for the United Kingdom (which regards its coal supplies as dangerously low) and 27,000 metric tons for the United States. At present, Japan still imports only about 10 per cent of her coal. This apparent self-sufficiency, which permitted a prewar production peak of about 57.3 million metric tons, has traditionally been supplemented by low regional cost differentials owing to easily accessible water transportation.

The elements of strength in the Japanese coal picture, however, are now increasingly overshadowed by some serious weaknesses. For one thing, Japanese coal production is an extremely high cost operation. Several factors contribute to this. Worker output is low, varying between 5 and 27 per cent of that of the American miner. Such low productivity is itself a manifestation both of the inadequacy of Japanese extractive technology and of the character of the coal fields. The latter are composed of thin and interrupted seams inundated by excessive amounts of ground water. As for the process of extraction, Japan suffers not only from inferior technology, but also from the loss of a considerable number of its prewar experienced miners—namely, the low-paid Koreans who constituted some 51 per cent of the underground working force. Today, less-skilled and better-paid Japanese miners are employed for a work week that has been reduced by about 30 per cent. The combination of inadequate technique, difficult fields, and low worker productivity thus makes Japanese coal almost twice as expensive per ton as that produced in the United States and considerably more expensive than the British, French, or German product.

In addition to the high cost of Japanese coal, its quality is generally low, as a result of its low heat or caloric value and very high ash content. One important survey has noted, therefore, that "while the effort required for producing a given amount of coal is high, the cost for a given amount of heat is still higher."[2]

While Japanese coal reserves decline and mining costs rise, the steady

[2] Edward A. Ackerman, *Japan's Natural Resources*, Chicago, Ill., 1953, p. 179.

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increase in the population makes the mere maintenance of prewar per capita production extremely unlikely in the very near future. Thus, while estimates of the maximum possible coal production are about 55 million tons a year, by 1970 the Japanese people will require 61 to 65 million metric tons annually to avoid reducing the amount consumed per person. Without even taking into account the necessary expansion in industrial fuel needs, therefore, Japan will confront a serious coal shortage within a decade and a half.

In the face of such a coal shortage, to say nothing of the fuel's extremely high production cost, the Japanese have been involved for quite a while in elaborate hydroelectric development. By 1951, in fact, that development already had reached the point where about 83 per cent of all electric power came from falling water. A crucial question for the Japanese future thus becomes: to what extent can hydroelectric power generation be expanded to meet not only the increased energy demands of a rising population, but also those of a necessarily expanded and heavier industrial plant?

Nature has somewhat compensated for its limited bestowal of mineral favors on Japan by providing important water resources. The country's mountainous terrain, abundant summer rains, and heavy winter snows produce a significant power potential capable of closing much of the gap between national electrical energy requirements and what can be derived from domestic fossil resources. This great capacity for hydroelectric generation accounts for the difference between the total energy pattern of Japan and that of the rest of the world. In the Japanese case, the most recent data, revealed by the Vice-Chairman of the Resources Council (Koichi Aki) to the 1955 Geneva Conference on the peaceful uses of atomic energy, indicate that hydropower provides 35.5 per cent of total domestic energy supply and 29.6 per cent of energy supply from both domestic and imported resources. In contrast, the world average for hydroelectric power is about 7 per cent of total energy consumed, with oil supplying about 20 per cent instead of the 12.8 per cent found in Japan. Because of this considerable hydropower, Japan is one of the half-dozen greatest electric energy producers, with an estimated 98 per cent of all Japanese homes having electric lighting.

The present Japanese hydroelectric generation capacity is officially described as 7,700,000 kilowatts, with an estimated total potential of 22,000,000 KW available. Significant increments to current production obviously are possible. The great questions, then, relate to the extent to which hydropower expansion is possible and, ultimately, to the

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economic costs of such additional power in comparison with a new source like atomic fission.

Any evaluation of the feasibility of tapping additional hydropower in Japan must begin with a recognition of the methods employed to date. The Japanese do obtain cheap power from falling water. It is so cheap, in fact, that, despite thermal power (coal-burning) generation costs which average about 20 mills per kilowatt hour, the total cost of electricity is around 8 mills per KWH. This has been accomplished, however, by concentration on the harnessing of run-off river water rather than by the use of large dams and reservoirs. Not only has this method avoided the heavy construction costs of the latter technique; it also has helped to avoid an inundation of agricultural land vital to sustain the expanding population. Despite certain drawbacks such as the great seasonal fluctuations in hydroelectric capacity and the need to maintain inefficiently employed stand-by thermal plants, river run-off has proved to be a cheap and successful source of hydropower.

Unfortunately for Japan, the government now estimates that the possibilities of utilizing river-run off have just about been exhausted. Henceforth, the expansion of hydropower will require pondage or reservoirs, with a resultant assumption of very high construction costs. These costs will be enhanced, moreover, by legal obligations to resettle the dispossessed citizens, to secure their livelihood in the new area, and to compensate them for their losses. In the prewar era this resettlement and compensation burden amounted to about 5-6 per cent of the total cost of constructing a dam. Today, such obligations are estimated to be between 20 and 30 per cent of the construction cost. Under the early impact of these cost factors, total expenses for hydropower construction of all types in 1953 were already estimated at over $306 per KW, with that involving dams considerably higher. The International Bank survey, associated with its 1953 loans to Japanese power companies, judged that construction costs for the planned Okuizumi dam project would be about $464.3 per KW for an installed capacity of 87,000 KW. In contrast, it noted that the thermal power plant at Meiko, with an installed capacity of 81,000 KW, would amount to about $157.8 per KW and, in addition, would not require anything like the submerging and withdrawal from cultivation of the 49,420 acres associated with the dam development.

Because of the cost problems mentioned above, the Japanese five-year hydroelectric power development program launched in 1952 will not attain its objectives. The program, incidentally, aimed at no more than the harnessing of sufficient additional hydropower to bring the operat-

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ing figure up to one-half the nation's total hydroelectric resources. The remaining 50 per cent, it is felt, cannot be tapped because of difficult geological formations, bad locations, or probable involvement in exorbitant indemnities. Even with such limited goals, however, available domestic capital has been 50 per cent short of the investment required, and sufficient foreign capital has not been obtainable. Though increases to hydropower have been made, future development obviously will become increasingly less feasible. Moreover, mounting construction and indemnity costs will force up generation charges an estimated 10 per cent by 1960 and probably higher thereafter. Maximum hydropower development probably will be reached by about 1975.

Surveying all forms of energy production possibilities, the Japanese officially reported to the Geneva Conference their conclusion that they will face by 1975 a total energy supply shortage equivalent to 50 million metric tons of coal and possibly as much as 200 million metric tons of coal equivalent by the year 2000. Such estimates of shortage are based on an economic growth at least sufficient to absorb the expanding working force. A strong case can be made, in addition, for the necessity of even more energy than anticipated by the Japanese statement if industrial growth is really to equal the probable economic needs of the future.

II. Future Japanese Power Requirements

Without engaging in any effort at exact forecast, it is important to note the primary reasons for predicting an increase in Japanese electric power requirements during the next several decades sufficient to outstrip any possible development of conventional energy sources. The major factors are: the pressure of an expanding population, the need for greatly increased exports, and the necessity to revise industrial production in favor of heavier capital goods for export.

Providing work for, feeding, and at least maintaining the current living standards of the expanding Japanese population represent a challenge of major proportions. The Ministry of Welfare's Institute of Population Problems has estimated that the present population of 89,275,529 will increase to about 100,000,000 by 1970 and will level off at about 107,000,000 by the year 2000. One leading Japanese authority concludes, therefore, that even the maintenance of the prewar rate of industrial growth will fail to provide jobs for half of the working-age population (15-59) by the 1990's.

As for the food problem, its resolution obviously requires very considerable increases in food importation. Such increases, also quite ob-

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viously, will necessitate further expansion of Japanese industrial production for world markets. The pressure of people on the land results not only from population growth but also from the restriction, owing to defeat in World War II, of a burgeoning nation to home islands of but very limited cultivable acreage. Fourteen million more people than in 1941 are already living on 20 per cent less land. Only 14.6 per cent of the latter, moreover, is suitable for cultivation. Extensive land reclamation activity, heavy dietary dependence on fish, and large government subsidy and credit facilities to increase food production have all failed to stem the necessarily mounting value of food imports. Total Japanese food production, about 20 per cent short of current national need, is estimated to be adequate for a population of 60 million at a reasonably decent standard of living. Little wonder, then, that the largest single import from the United States in 1954 was food, which comprised $218.2 million out of a total of $726.6 million spent in America by Japan.

Japan's very serious raw material inadequacies also compel a considerable expansion of exports. To be able to make the mounting purchases abroad that are essential to her survival as a prosperous and reasonably democratic state, she must sell abroad. The magnitude of this dependence upon importation, even at the present population level, is revealed by the latest official summary of import requirements in 1955: foodstuffs, 20 per cent; lumber and fibers, 40 per cent; petroleum, 90 per cent; phosphate fertilizer, 50 per cent; potassium, 25 per cent; iron ore, 67 per cent; lead, 80 per cent; aluminum, 100 per cent; rubber, 100 per cent; and coking coal, 40 per cent.

To these figures must be added the undoubtedly pessimistic but nonetheless instructive government estimates of the duration of vital Japanese mineral reserves. At the end of 1955, they ranged from 1.5 years for chrome, 2.5 years for manganese, 8 years for iron, and 20 years for copper, to 50 years for sulphur. They conclude, moreover, that even in terms of 1952 demand, chrome iron will soon be in short supply by 39.7 per cent, iron by 41.9 per cent, manganese by 39.7 per cent, iron by 83.2 per cent, and copper by 21 per cent, to cite but a few examples. Shortages of this character in an industrialized state can only be remedied by a very high level of international trade.

While the necessity for Japan to expand her exports thus is clear, the obstacles to such expansion unfortunately are very considerable. Outstanding among them are the high cost character of most current heavy goods production, which seriously impairs the competitiveness of many Japanese exports, and the loss of buyers for the traditionally most im-

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portant types of Japanese exports: textiles, light manufactures, and consumers goods. The present serious contraction of Japanese overseas markets in these items stems mainly from Western trade protectionism, the absorption of areas into the Communist orbit or the depressive effect on trade of Communist guerrilla activity in other Asian areas, anti-Japanese attitudes and reparations problems produced by World War II, and the competitive textile and light manufacturing industries developed by Japan's newly independent Asian neighbors.

To overcome these major impediments to her national well-being without joining the Communist world, Japan must, first and foremost, to quote her Economic Stabilization Board, "shift the weight of trade to heavy and chemical industrial products."[3] To accomplish this, however, also requires very great increases in electrical energy in addition to those increments made necessary by the expanding population. Given the extremely serious limitations previously noted on any adequate expansion of traditional energy forms, the advent of a revolutionary new source of power thus may spell the difference between Japanese economic and political health and a return to underdevelopment in both respects. Japan's future character, therefore, may well depend upon the early feasibility for her of atomic power.

III. The Feasibility of Atomic Power in Japan

Any exact measurement in advance of the feasibility for Japan of atomic power, like any exact estimate of future power needs, is not possible. Nonetheless, reasonably conclusive and favorable evidence can be accumulated.

Feasibility, of course, is a difficult term. There are innumerable criteria which might be employed to measure it. Moreover, many of the potentially most important of them are constructed of a significant number of intangibles incapable of completely scientific evaluation. Despite such measurement problems, however, a number of factors essential to meaningful analysis can be designated, and information accumulated in their regard.

To begin with, there is the matter of *cultural receptivity*. Certainly, no technological innovation like the harnessing of nuclear fission is feasible in a society unless the society's cultural texture is generally congenial to it. In the Japanese case, the nation's history from the late nineteenth century to the present provides the basis for an affirmative conclusion. As Eugene Staley has noted, toward the end of the nine-

[3] Japan, Economic Stabilization Board, *Economic Survey of Japan, 1951-1952*, Tokyo, 1952, p. 48.

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teenth century the Japanese "suddenly acquired a will to develop" which constituted an intellectual "turnabout" after centuries of deliberate insulation from the outside world.[4] That determination to imitate and adopt Western technology was given successful implementation by the government and the nation's socio-economic leadership. In partnership and supported "by the hierarchical structure and centralized loyalties of Japanese society,"[5] their determination to modernize in order to avoid the colonial fate of most of their fellow Asians bore great fruit. This success, which has made Japan an undisputed economic leader among non-Western peoples, also has demonstrated quite clearly the absence of important sociological obstacles either to national cohesion or to economic and technological modernization.

It thus is possible to conclude, on the basis of modern Japanese history, that the nation's social, psychological, and cultural environment—in contrast to that of some other non-Western states—has demonstrated conclusively its receptivity to technological change. This is certainly an essential precondition for any effective utilization of nuclear fission.

A second factor to be considered in evaluating atomic power's feasibility for Japan is the nation's *technical capacity* to utilize successfully this particular and extremely complex accomplishment of physics and engineering. There seems considerable basis for optimism in this regard, too. For example, a recent United Nations survey of Japan's higher educational system concludes: "Unlike most countries in Asia, Japan does not suffer from any serious shortage of skills. Education, both general and technical, is abundant and has actually been extended since the war. Almost the only sphere in which some shortage of technical education is reported is in the heavy industries and at the managerial level."[6] If anything, this UN *Economic Survey of Asia* comments, the Japanese are suffering from a superabundance of skilled citizens in a society presently unable to absorb them effectively.

Available statistical insight into relevant areas of the educational system appears to substantiate the above view. Though the quality of training in a number of instances undoubtedly varies within the country as well as between Japan and the major Western states, such data are reasonably impressive. For example, the Japanese Bureau of Statistics indicated in 1953 that of 393,051 university students, 60,217 stu-

[4] Eugene Staley, *The Future of Underdeveloped Countries*, New York, 1954, p. 216.
[5] Marion J. Levy, Jr., "Contrasting Factors in the Modernization of China and Japan," *Economic Development and Cultural Change*, II (October 1953), pp. 161-97.
[6] United Nations, Department of Economic and Social Affairs, *Economic Survey of Asia and the Far East, 1954*, Bangkok, 1955, p. 134.

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dents were obtaining science and engineering training. To this may be added a 1954 Japanese Embassy Survey of the nation's practicing scientific researchers, which concluded that some 32,475 persons were so involved, and received trained assistance from another 37,815 individuals.

Still other evidences of Japanese basic scientific and technical capacity to engage in atomic power development are to be found. The nation began its investigation of nuclear fission during World War II, and some initial accomplishment was recorded in the discovery of industrially feasible moderators for nuclear reactions as well as in heavy-water research based upon electrolytical processes in fertilizer production. Though nuclear fission research was suspended under an edict of the Allied Occupation, in October 1952 the Science Council of Japan created a temporary committee to consider the attitude toward atomic research which should be adopted by the nation's scientists.[7] On the basis of recommendations from the Science Council, the government created a three-year plan to erect a Research Institute for Nuclear Physics to promote fundamental research. This Institute is to be affiliated with Tokyo University and available to other Japanese universities, as well. In 1952 a Cosmic Ray Observatory was also constructed on the summit of Mt. Norikura as a scientific adjunct to Tokyo University. In addition, the cyclotron at the Scientific Research Institute that was dismantled during the occupation has been rebuilt and is now producing short half-life radio-isotopes. Japan, furthermore, has been receiving radio-isotopes from the U.S. Atomic Energy Commission since April 1950, and has utilized them for medical and industrial purposes.

Not only the government, but also Japanese private industry is involved in nuclear research and experimentation. Some groups are concentrating, with public subsidization, on efforts to develop such vital materials as heavy water. The Tokyo Shibaura Electric Company is conducting experiments on a fast neutron scintillator and a small electronometer tube, while the Hitachi organization and the Scientific Research Organization are undertaking the trial manufacture of a neutron counter. The Nissan Chemical Industries is engaged in intermediate tests to obtain uranium from rock phosphates and Showa Denko K.K. is conducting research on the manufacture of graphite for atomic reactors as well as pursuing basic research on the heavy-water

[7] See report prepared by the Japanese government for the Atomic Industrial Forum, Inc., and reproduced in the latter's publication, *World Development of Atomic Energy*, New York, July 1955.

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exchange process. The Fuji Photo Film Corporation is undertaking the trial manufacture of film badge for gamma ray use and, finally, the Japan Science Promotion Society is presently engaged in research on atomic reactor design.

Activities of the type noted above during and since World War II would appear to warrant the conclusion that Japanese scientific and technical capacity is such that no major obstacles to an atomic power development program can be foreseen on this score. Additional training of nuclear scientists undoubtedly will be necessary, but no long build-up of scientific manpower in advance of nuclear research would seem to be required, as is the case in many other non-Western states.

A third factor of importance in considering the feasibility of early Japanese atomic power development is the quality of *governmental leadership* in this regard. Even with widespread expressions of interest from relevant private enterprise, much of the initiative for an atomic power program obviously must be politically generated. The international implications, military characteristics, and governmental control of nuclear fission abroad all necessitate it. Here too, however, no real obstacle is presented. As early as fiscal 1953-1954 the national budget included atomic energy appropriations, of which a major portion was for the subsidization of the research noted above. Toward the end of 1954, the government created a mission to survey the atomic energy industry in foreign lands; it examined peaceful nuclear activities in fifteen countries and then made recommendations to the government concerning the organization and objectives of a Japanese program. In April 1955, an Atomic Energy Section was established within the Industrial Technology Board of the Ministry of International Trade and Industry with the duty of supervising the allocation of atomic energy appropriations.

Since the signature on November 14, 1955, of an Agreement for Cooperation between Tokyo and Washington providing for American nuclear research assistance, the Japanese government has noticeably intensified its interest in the possibilities of atomic power. At the same time that the Agreement was presented to the Diet for approval (December 1955), proposals were made to create a basic Atomic Energy Law and to establish both a Japanese Atomic Energy Commission and an Atomic Bureau within the Prime Minister's Office. All of these recommendations, as well as the Japanese-American Agreement, obtained legislative approval. Subsequently, on January 1, 1956, a policy-making Atomic Energy Commission and Secretariat came into being. Upon establishment, this directing body immediately inaugurated an

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experimental reactor construction program. Moreover, within a week of its establishment, the five-man commission engaged in a public dispute concerning the speed with which it was possible and advantageous to introduce commercial atomic power. The Commission Chairman, Mr. Matsutaro Shoriki, supported by interested private companies, indicated his desire to reduce the power development timetable from ten to five years with American assistance, while his colleagues wanted to proceed more slowly and with less dependence on the United States. In either case, such official discussion, and the several years of governmental activity which have preceded it, indicate very clearly the seriousness and capacity of the Japanese government to initiate an atomic power development program from which commercially useful electricity could be derived. The objectives of this activity on the part of the Conservative coalition government, moreover, have the general support of the Socialist Party opposition. This was clearly revealed by Mr. Seichi Katsumada, chairman of the parliamentary Socialist Party's policy committee, in an October 1955 interview with the author. On that occasion, Mr. Katsumada remarked that atomic power undoubtedly would play a very useful role in his nation's economy. Its feasibility, he felt, would become particularly apparent when Japan was forced to build dams and reservoirs in order to expand her hydropower. Mr. Katsumada then commented that the primary difference in general economic policy between his party and the Conservative government was the latter's preoccupation with immediate monetary gain instead of with the longer-range needs of Asia's underdeveloped lands and the export market they represented.

Fourth and finally, there is the question of *comparative economic cost.* Does it appear that, in the Japanese case, the costs of constructing nuclear facilities and then of generating atomic power are competitive with thermal and hydroelectric power? The increasingly inadequate supply of electricity from traditional sources undoubtedly will give an increased advantage to the utilization of nuclear energy, although the importation of fossil fuel might provide an alternative, depending upon its cost character. But very high costs of atomic power would obviously generate many deterrents to its employment. It certainly would lessen the attractiveness of this form of energy to Japanese private enterprise on any basis except that of heavy governmental subsidization. Uneconomic atomic power also would quite rightly raise hard questions about the wisdom of American nuclear assistance to Japan. As matters stand, however, there is good evidence to support the view that atomic

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power is already competitive in most ways with Japan's more traditional types of installation.

Since electricity transmission and distribution costs would not be appreciably affected by the use of nuclear fuels, though fuel transportation costs would be even less than at present, economic cost can be analyzed primarily in terms of the costs of construction and generation (plants and their equipment, fuel, and operation and maintenance). In this connection, the fragmentary information available presents a reasonably attractive picture.

The average Japanese electric power generation costs of public utility thermal plants are close to 20 mills per KWH, of which coal costs contribute approximately 15 mills. This is one of the highest thermal power generation costs in the world. British and American thermal costs, for example, run from about 4.5 mills per KWH for the most modern plant to 7 or 8 mills for less efficient ones. Fuel costs for thermal power normally amount to about 3 to 5 mills in industrialized nations. Since most estimates of nuclear power generation costs at present are from 7 to 11 mills per KWH, depending on the type of reactor employed, and nuclear fuel costs are currently estimated at 1 to 2 mills per KWH if sold by the leading nations in the field, atomic power generation certainly would be competitive with Japanese thermal power. It also would place less strain on Japanese foreign exchange for fuel importation than does coal. The area of major disadvantage for atomic power in this comparison is in capital costs. At present, estimated atomic power plant capital costs run from about $210 per KW to as high as $450 per KW, depending on the type of reactor involved and the method employed by the manufacturer to write off his developmental costs. Japanese thermal plant capital costs are considerably less, with the cost of a new facility to be erected at Meiko estimated at $157.8 per KW. On the other hand, as previously noted, it is not feasible for Japan to expand her thermal capacity very much because of the extremely high fuel cost and resultant exorbitant generation charges. The most meaningful comparison thus must be made with Japanese hydroelectric power.

In the case of hydropower, we find that much of its traditional cheapness in Japan has been due to the fact that only about 10 per cent of such power has been produced by dam or reservoir installation. As a result, the combination of hydroelectric and thermal generation produces a national electricity cost average of just under 8 mills per KWH. Even so, the expenses for hydropower construction, including river run-off, had reached an estimated $306 per KW by 1953. For the fu-

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ture, with most hydroelectric development necessarily based upon dams and reservoirs, capital costs will go even higher. As noted earlier, the plant to be constructed at Okuizumi will run about $464.3 per KW. When problems such as the amount of agricultural land to be inundated and the resultant costs of reimbursement and resettlement of citizens are added, it is questionable that the cheaper hydropower generation costs will constitute a real advantage over nuclear power. Moreover, it must be added, nuclear power capital costs will steadily go down because of improvement in reactor technology, while Japanese hydropower capital and generating costs will rise. Even now, the chairman of the Japanese Atomic Energy Commission, Mr. Shoriki, has declared that the General Electric Company promises to have a plant producing 180,000 KW in operation in three years which will make electricity available to the Japanese consumer at less than half the current average delivered price (7 cents per KWH instead of 15 cents).

The conclusion would appear to be that atomic power currently is competitive with conventional power in Japan, and its future cost position will become increasingly attractive. The major remaining question in need of some answer, therefore, relates to the availability of nuclear fuel. Can Japan obtain assured and adequate supplies of nuclear fuel to produce atomic power? To a great extent, this question must presently be answered in terms of Japanese-American relations.

IV. Japan and American Nuclear Foreign Policy

Japan would probably develop atomic power by herself over an indefinite period of years. She has a receptive cultural setting, already proved but still unmeasured thorium and uranium resources, the technical capacity with some additional training, and the necessary governmental and private leadership interest. Moreover, Japan will need atomic power shortly, and its costs are already competitive in her case. On the other hand, any early utilization of nuclear fission for electrical energy depends upon a rapid build-up of Japanese atomic technology, an immediate start on reactor construction, and an adequate supply of atomic fuel in the very near future. Quite obviously, such a headlong plunge into atomically generated electricity requires external assistance. This can come, at the moment, only from one of the global Big Three. Given the extent to which American military and economic assistance already plays a major role in the Japanese economy and the fact that Washington has been Japan's primary postwar sponsor, the United States is the natural provider of such nuclear aid. The basic problem, then, from the American viewpoint, is not whether Britain or the Soviet

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Union should substitute for the United States as a benefactor. Rather, it is that of determining the most effective and mutually beneficial method of help.

That atomic power aid should be provided seems indisputable. Japan will need this energy fairly soon. The United States can help to accelerate its materialization and, simultaneously, reduce for Japan the very great financial burden of development. The justifications for this American participation are the very same which have prompted all previous forms of assistance to this highly strategic Asian state.

An American decision concerning the best means of providing atomic power assistance to Japan must, however, be based upon an awareness of several very important conditioning factors. For one thing, there is a good deal of disagreement among Japanese concerning their present and future dependence upon the United States, and this has been transferred with considerable vehemence to the matter of nuclear relations. This suspicion of American intentions, which reveals the extent of Washington's failure to capture "the mind of Japan," is not by any means limited to a single Japanese faction or point of view. Socialists and Marxist-inclined intellectuals as well as many conservatives and business groups manifest such hesitancy about American policy. The inevitable irritations of the Occupation, the imposition of unwanted reforms, the United States policy reversals on questions like Japanese military activity, and American-imposed restrictions on trade with Red China have taken their toll in influential Japanese opinion. To this has been added, in the characterization of one American authority, "a feeling among the Japanese . . . bordering on paranoia, that they are the fated victims of American atomic policy."[8] The first victims of an A-bomb have also suffered from the fall-out effects of an American H-bomb test. In the eyes of many Japanese politicians and intellectuals, the fact that such nuclear activity has been limited by us to the Pacific demonstrates American racism and inhumanity. Nationalism, Marxism, the desire to do business wherever possible, and simple misunderstanding thus feed into a common stream of anti-Americanism.

The direct result of these Japanese suspicions of American policy intentions has been considerable hesitancy about nuclear relations with Washington. The American offer of an Agreement for Cooperation to provide reactor research training, although signed on June 1, 1955, was ratified in December only after vigorous public debate. Not just

[8] Herbert Passin, "Japan and the H-Bomb," *Bulletin of Atomic Scientists*, XI, No. 8 (October 1955), pp. 289-92.

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the Socialists, but many Japanese scientists, have argued that the United States is employing its Atoms for Peace program merely to screen from world opinion its military use of nuclear energy; or that the American objective is to promote its atomic armaments industry; or that gestures of nuclear assistance are really designed to capture control of foreign uranium resources and export markets for the American atomic energy industry. In fact, the Japanese magazine, *Chuo Koron*, charged in its June 1955 issue that the American objective is "the domination of all of Japanese industry by American monopoly capitalism through the manipulation of electric power prices." As a corollary to such attacks on the goals of American offers to help use "atoms for peace," some Japanese also have maintained that any Japanese desire to regularize relations with the Communist world necessitates nuclear as well as political and economic contact.

Despite the large Diet majority provided by the Conservative coalition to ratify the Agreement for Cooperation, this suspicion has not disappeared. Questions are constantly raised about the Agreement's stipulations regarding the provision of research rather than power training, the allowance of United States inspection of Japanese atomic operations, the requirement of annual Japanese reports on operations, the return to the United States of all fissionable materials upon the expiration of their lease, and, finally, the return of all radioactive refuse to the United States. From the American viewpoint, these stipulations—the same contained in all similar Agreements for Cooperation —are essential if "atoms for peace" are to remain in the service of peace. To Japanese critics, however, they reveal American distrust and a refusal to permit Japanese scientific development in vital research areas. Resistance to the Agreement remains, therefore, despite its ratification.

In addition, the newly formed Atomic Energy Commission has itself become involved in the debate. Four distinguished members, including the Nobel Prize-winning physicist Hideki Yukawa, oppose the Chairman's desire to conclude a new agreement with the United States providing for immediate atomic power-generating equipment. This unanimous stand by the scientific members of the Commission apparently is based both on fear lest Japan become completely dependent on the United States to the detriment of domestic nuclear development and on opposition to exploitation of Japanese nuclear energy primarily by private enterprise. The latter objection is probably aggravated by reports that two leading interested domestic groups, the Mitsubishi and

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Mitsui enterprises, are engaged in negotiations with American firms anxious to export nuclear equipment.

Evidences of Japanese suspicion of American policy, suspicion among the neighboring Asian states of future Japanese activity, the anti-Western views of the region, the questioning of American sponsorship of Japan, and Communist charges of American militarism all serve to suggest the contours of any United States policy of atomic power aid to Japan. The conformation of such a policy is given even more definition by an awareness of Japan's economic dependence on her neighbors and the interrelated character of the latter's material and strategic well-being.

All of these factors in the international environment of South and Southeast Asia suggest that American atomic assistance to Japan should not be bilateral in character, even though the current Japanese government might be willing to receive it in that form. Liberalizing bilateral Agreements for Cooperation and placing them within the loose framework of an international atomic brokerage agency of the type originally suggested by the United States would not be a very significant improvement either, though some amelioration of objectionable characteristics would undoubtedly result. To allay all of the various fears and suspicions noted above, multilateralism probably must be employed. Given the extent to which Japan's future depends upon a harmonization of her complex relations with her neighbors, this multilateralism must also be regionally oriented. Though a truly supra-national United Nations nuclear energy agency, unhindered by vetoes and competition generated by the "cold war," could function with success in this area, the early creation of such a body seems very doubtful. It appears essential, therefore, that the United States sponsor the establishment of a regional atomic energy agency for South and Southeast Asia, perhaps affiliated with the Colombo Plan Organization. The Japanese Socialist leader Katsumada, despite his party's criticisms of American policy, reacted most favorably to this method of assistance when it was suggested to him in the aforementioned interview.

Such an agency, perhaps constructed along the lines of the OEEC, could receive American atomic power and research help for the whole region. Provided by Washington with some small research and power reactors, a training program for members could be conducted under its auspices with the participation of American specialists. For a nation like Japan, which is capable of moving rapidly into atomic power production, technical assistance in thermal and thermal-breeder reactor construction as well as financial help in launching its program could

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also be made available. Provision of the vital initial fuel charges of enriched uranium or U-235 would be another function of the agency. Thereafter, the operation of national breeder reactors would eliminate indefinite dependence upon American fuel by permitting the creation of plutonium reserves which, in turn, could be used as fuel in conjunction with domestic uranium and thorium deposits of the type to be found in Japan. Such an assistance program, under the guidance of American recommendations and mutually agreeable procedures to prevent its perversion into armament development, could be conducted cooperatively; the distribution of help being made in accordance with demonstrated need and capacity. While Japan would undoubtedly be the first to reap the atomic power harvest, the other partners in the program would participate in policing atomic power development throughout the region to make certain of its use for peaceful purposes. In addition, they would have access, in accordance with their ability to absorb it, to both American and Japanese assistance, as well as to that proffered by such other potential donors as India, Britain, and Canada. All of this mutually advantageous activity, moreover, would occur in a fashion best designed to counteract charges of atomic imperialism and militarism in American aid.

The costs to the United States of such a nuclear power aid program would not be very great, relative to current economic and technical assistance in that part of the world. The small training reactors and other educational facilities could be loaned to the regional organization. Technical assistance in research and power reactor construction certainly would place no great financial burden on the United States. Monetary aid of any consequence probably would be limited primarily to the actual construction of power facilities, and this could be provided through the regional organization on some matching basis. As to the matter of fuel, the United States could allocate to the South and Southeast Asian nuclear agency a portion of the 20,200 kilograms of U-235 already authorized for foreign aid. Valued at approximately one-half billion dollars, the entire amount would be sufficient to fuel an initial electrical generating capacity of several million kilowatts. A part of this pool, available on loan or for purchase, would enable the process of breeding to begin without great new costs to the United States. Finally, whatever financial burden was involved in this type of program could be viewed as part of the general problem of foreign aid rather than as a special and additional problem.

The United States has already announced the future establishment in the Philippines of a regional nuclear research and training center

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for the Colombo countries. Some nuclear fuel and technical assistance in research reactor construction also have been made available by Washington for distribution through the proposed international agency pool as well as through bilateral Agreements for Cooperation. Most recently, tentative verbal gestures in the direction of foreign atomic power aid have also been made. What is now necessary, therefore, is that these beginnings be expanded into a coherent program not merely of nuclear research but of nuclear power assistance. A regional aid program for South and Southeast Asia must be launched alongside a similar European enterprise. Eventually, these activities could be brought under the broad umbrella of a United Nations affiliated agency. Only in a multilateral fashion can greatly needed atomic power assistance be provided a country like Japan without encouraging the important critics of American intentions. The United States must not weaken its efforts to promote peaceful employment of nuclear energy either by excessive delay in providing atomic power aid or by clumsy techniques. The very real competition for world leadership by the Soviets necessitates maximum skill in the formulation of American policy.

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OBSERVATIONS ON THE STRUCTURE OF WORLD TRADE AND PAYMENTS*

By HERBERT B. WOOLLEY

EVENTS intimately linked to our foreign relations have profoundly affected the level of economic activity in the United States and the character of our economic progress and stability. They cannot be disregarded by those concerned with the level of economic activity in this country. Furthermore, those concerned with the economic policies of the United States must also be concerned with the impact of those policies upon the rest of the world because of the great importance of the United States in the world economy, and because of the link between economic, political, and military events at home and abroad. Since the United States cannot ignore the far-reaching and indirect effect of its policies and decisions, the American people and their government require a detailed and systematic understanding of the economic interrelationships among all countries of the world. Even more, to exercise the international leadership which our great size and resources impose upon us, we must be in a position to assess the effect of developments and actions everywhere upon the political and economic strength of the free world. This article considers a few of the salient features of world economic relations which should always be kept in mind in assessing economic policy alternatives.

I. Economic Relationships in the Free World

Trade among free world countries focuses on three major centers of economic activity. Practically every country outside the Soviet bloc can be identified as "principally interested" in either the United States, or the group of Continental European countries which participated in the Marshall Plan, or the United Kingdom and other sterling area countries. In turn, each of the three market centers can be identified as "principally interested" in the countries that are principally interested in them. Japan is difficult to fit into this scheme and two or three other lesser countries do not fit in very conveniently. Nevertheless, the three-bloc scheme holds as a generalization.

* This article is based on testimony given by the author before the Subcommittee on Foreign Economic Policy of the Joint Committee on the Economic Report, November 10, 1955. The author has taken this occasion to revise and supplement the estimates given the Subcommittee. His testimony was offered on his own responsibility and should not be taken as an expression of views of the National Bureau of Economic Research, with which he is associated.

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The proportions in which countries have traded in recent years with world areas reveal their "principal trading interests." When 81 countries are arrayed in three lists according to the descending order of the proportion of their exports or imports traded in 1951 (a) with the US, (b) with the sterling area, and (c) with Continental countries participating in the Organization for European Economic Cooperation (OEEC), not one country is high up on more than one of the three lists. None of the 81 countries both sent a high proportion of exports to one of the major economic centers and secured a high proportion of its imports from another. Countries sending a high proportion of exports to a center also tended to show a high proportion of imports from the same market.

A single year's trading is actually enough to reveal the basic pattern of principal trading relationships, so stable is it from year to year. In an examination of the proportions in which countries traded with different areas in 1950, 1952, 1953, and 1954 where possible, individual proportions are seen to differ slightly from year to year, but the broad picture for the other years is the same as in 1951. Only in one or two marginal cases does later information indicate a different orientation than appeared in 1951.

Principally interested in the US are the Philippines, Israel, Saudi Arabia, Liberia, the Netherlands Antilles, and all Western Hemisphere countries except the River Plate countries—Argentina, Uruguay, and Paraguay; the US reciprocates, being principally interested in the Western Hemisphere as a trading partner. Principally interested in Continental OEEC markets are Yugoslavia, Spain, Iceland, Argentina and Uruguay, Egypt, Syria, Lebanon, and the OEEC countries themselves and their dependencies (excepting the Netherlands Antilles). France is included among those oriented toward Continental OEEC countries, although it has prior trading interests in French overseas territories. Countries in the sterling area (except Iceland), the Sudan, Iran, and Ethiopia in the Middle East, and in the Far East Indonesia, Thailand, and (possibly) Japan are principally interested in the sterling area market and most of these focus on the UK itself. The UK reciprocates with a principal interest in the rest of the sterling area. The Communist countries form a fourth trading bloc in the world.[1]

It should be remarked that Japan's situation is difficult to assess. Japan has not been able to tie in with one of the three main centers.

[1] The basis for this classification has been discussed in greater detail in the appendix to my paper, "On the Elaboration of a System of International Transaction Accounts," in *International Comparison of Economic Accounts*, Studies in Income and Wealth, Vol. 20, National Bureau of Economic Research (in press).

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The proportion of its trade with the sterling area in 1951 was somewhat greater than with the US, but a large part of its current earnings in 1951 accrued in dollars from invisible transactions associated with the occupation and the Korean War. It had a heavy stake in trade both with the US and with the sterling area, but its dollar availabilities depended greatly on temporary factors. Its exports went mainly to the sterling area in 1951—a time of a seller's market—but the sterling area has shown strong reluctance to encourage Japan's hopes for expanding sterling earnings as its temporary dollar earnings have declined. Very tentatively, it might be counted as principally interested in the sterling area, since in the long run it may work out a basis for trading with that area.

II. Estimates of Current Transactions Between World Areas in 1951

The orientation of countries toward the principal market areas and their secondary trading interests are reflected in the pattern of current transactions between world areas in 1951 set forth in Table 1. Five broad divisions of the world are distinguished in the table: the sterling area, the non-sterling EPU area, the US and Canada, Latin America, and "Other" (including transactions of the free world with the Soviet bloc). This is not exactly an ideal division of world areas, but it is the one which most closely approximates a common denominator for the regional scheme employed in the published balance-of-payments statements of all countries. "Other" includes countries oriented toward each of the three main centers; Latin America includes the River Plate countries principally interested in the Continent; Iceland is in the sterling area although it trades mainly with the Continent; and the Netherlands Antilles is placed in the non-sterling EPU area although its main activity is refining Venezuelan crude oil for British and American oil companies and most of its imports are from the US.

In spite of its preliminary character, Table 1 provides the first comprehensive accounting ever given of the exchange of currently produced goods and services between world areas in a recent year, and in broad features the gross trade between the areas shown cannot be far wrong. Current transactions of the free world amounted to $97.7 billion. Not including gold sales, merchandise makes up $75.8 billion and services $21.8 billion. The sterling area, non-sterling EPU countries, and Western Hemisphere countries each made close to 30 per cent of

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TABLE I

GOODS AND SERVICES TRANSACTIONS BETWEEN WORLD AREAS IN 1951*
(dollars millions; merchandise f.o.b.)

CREDITS BY	DEBITS BY					
	All Areas	*Sterling Areas*	*Non-sterling EPU & EPU†*	*US & Canada & IO‡*	*Latin America*	*Other*
All Areas: G & S	97,670	27,480	28,590	20,820	9,830	10,950
Merchandise	75,840	21,200	23,540	15,270	7,030	8,800
Services	21,830	6,280	5,050	5,550	2,800	2,150
Sterling Area: G & S	25,440	12,370	5,030	3,830	1,070	3,140
Merchandise	19,760	9,420	4,210	2,880	670	2,580
Services	5,680	2,950	820	950	400	560
Non-sterling EPU & EPU: G & S	27,410	5,760	13,780	3,340	1,870	2,660
Merchandise	21,500	4,330	11,360	2,240	1,470	2,100
Services	5,910	1,430	2,420	1,100	400	560
US & Canada & IO: G & S	25,040	4,630	4,760	6,970	5,610	3,070
Merchandise	18,080	3,210	3,520	5,160	3,910	2,280
Services	6,960	1,420	1,240	1,810	1,700	790
Latin America: G & S	9,110	1,050	2,320	4,310	930	500
Merchandise	7,800	940	2,080	3,670	680	430
Services	1,310	110	240	640	250	70
Other: G & S	10,670	3,670	2,700	2,370	350	1,580
Merchandise	8,700	3,300	2,370	1,320	300	1,410
Services	1,970	370	330	1,050	50	170

* Analysis of the reports of countries of transactions between world areas indicates that current payments (debits) in 1951 were reported somewhat more fully than receipts (credits). Consequently, Table I is made up mainly from the information given on the paying side of transactions, supplemented by creditor reports, particularly by the US and Canada. Using debit figures avoids the possible double counting of freight and insurance payments and government purchases which might result from taking transportation and government transactions from the debit side (where they are best reported) and combining them with merchandise credits. It also provides a basis for estimating the gross goods and service transactions of some areas, including countries which report only net transactions—for example, the UK reports only the net balance of overseas transactions of its shipping, insurance, and oil company transactions. By taking figures on the paying side, however, we tend to show the country originating goods as receiving payment, when in fact some other country may have interposed as a middleman to the transaction.

† The European Payments Union, as an international financial organization, has been grouped with the Continental members of the Union to provide for a clear-cut calculation of the sterling-nonsterling relations within the EPU.

‡ International organizations located in the US (IO) have been grouped with the US and Canada, since most of their transactions in 1951 were in US dollars.

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the total of payments (debits) and a little more than 10 per cent was made by "Other" (only a small fraction by the Soviet bloc).

Transactions between world areas were credited to areas in about the same proportions as they were debited.[2] Each of the five world areas covered a high proportion of its current debits from current credits or spent most of its current earnings for current goods and services. The net balance of each broad area with the world as a whole thus came to a small fraction of its total credits or debits.

The orientation of countries toward the three major markets can be seen in the table. Intra-sterling area transactions accounted for 45 per cent of sterling debits and 49 per cent of sterling area credits. Intra-nonsterling EPU transactions represented 49 per cent of debits and 51 per cent of credits of the area. Taking the US, Canada, and Latin America together, intra-Western Hemisphere trade accounts for 58 per cent of Western Hemisphere debits and 52 per cent of Western Hemisphere credits. Within the Western Hemisphere, the US and Canada had a little more than half their debits and credits with the Western Hemisphere, and Latin American debits and credits were half or more with the US and Canada. Transactions of "Other" spread out over the three main markets, as might be expected from the fact that the group includes countries oriented toward each of the three major economic centers. If a clear-cut grouping could have been made according to the orientation of countries to the three main centers, leaving the Soviet bloc as a fourth area, we could have expected to find the trade of free world countries in each of the three interest groups concentrated within the group.

In contrast to the evident concentration of transactions involving the three main centers, transactions between Latin American republics and among "Other" countries (including transactions between and among independent, non-sterling countries of the Middle East and Far East) are at a much lower level. They are clearly of secondary interest to countries in the areas in question.

The secondary character of the trading interests of the sterling area in non-sterling EPU countries (mainly the Continent) and in the US and Canada (mainly the US), of non-sterling EPU countries in the sterling area and in the US and Canada, and of the US and Canada in the other two major centers also is manifest in the table.

[2] Transactions excluded are those in gold (monetary or non-monetary), in military aid items, between Soviet bloc countries, and between the US and its possessions. Included are some, but not all, transactions between overseas territories of Western Europe and their respective metropoles. Notably omitted are travel, investment income, government, and miscellaneous service transactions between France, Portugal, and Spain and their respective overseas territories.

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III. Contrasts in the Structure of Trading Relationships Within Primary Interest Groups

The strong trading and financial ties of each of the countries principally interested in the US run to the US itself.

While most of the countries principally interested in the sterling area similarly have strong trading or financial ties directly with the UK, several are considered interested in the area because of trading ties with some other sterling area member. The trading relations of the Far Eastern countries in the group are dominantly with each other. Burma, Thailand, Ceylon, India, Pakistan, the Malayan currency area, Hong Kong, Indonesia, and Japan trade heavily with each other, and it is the *combination* of trade in currencies linked to sterling which justifies counting these countries as principally interested in the sterling area. Singapore and Hong Kong are British entrepôt centers in the area, serving as distributing points for British merchandise and as collecting points for primary goods marketed by British merchants elsewhere. British commercial firms and banks operate extensively in all the Commonwealth and colonial territories, so that it is not easy to draw a boundary marking off trading ties with the UK from those with other parts of the sterling area.

The group of countries principally interested in the Continental OEEC market stands in sharp contrast to those oriented toward the US and toward the UK. Except for overseas territories, whose trading ties run heavily to the mother country, the trading interests are with the whole group rather than with any particular country. The proportion of any country's trade with a single Continental country is always small, frequently smaller than its trade with the US or the UK, but as it trades small proportions with several countries in the group, they add up. This characteristic applies to each Continental OEEC country. The trading interests on the Continent spread out in a network, and it is this network of interdependence which underlies, and in large measure explains, the success of the cooperative approach to promoting European recovery, particularly through the formation of the European Payments Union and the liberalization of trade restrictions within the group. In 1950-1952 and also in the prewar years 1937-1938, every one of the Continental members of OEEC had 30 per cent of its exports or imports with the group as a whole (France can be included only if we add French overseas territories to the group or consider only French trade outside the franc monetary area). Each Continental member of OEEC thus had a strong and direct interest in the economic

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recovery of the group as a whole. Western Germany, Austria, Greece, Belgium, Switzerland, and Yugoslavia had 50 per cent or more of either exports or imports with Continental OEEC countries in 1951 (and also in 1950-1954).[3]

While the Continental countries do not concentrate their trading interest on a single country in the group, it is possible to observe a tendency for countries to divide pretty much according to the amount of trading they do with Western Germany as opposed to the UK. Because of the late return of Germany to world markets, the relationships can best be seen in figures more recent than 1951, and the following observations are based on 1953 data.

If we focus on Western Germany as the rather imperfect "center" of the Continental trading community, we see that countries next to or near Germany and down the Danube into the Balkans tend to trade rather more heavily with it than with the UK. The six countries making up the Coal and Steel Community—Germany, the Netherlands, Belgium, Luxembourg, France, and Italy—form a group with strong ties with Germany and each other. Four other countries—Austria, Switzerland, Greece, and Turkey—each traded 20 per cent or more of exports or imports with Western Germany in 1953 and substantially smaller proportions with the UK. In contrast, the Scandinavian countries all marketed 20 per cent or more of sales in the UK (Denmark 41 per cent), and Portugal traded somewhat less heavily with the UK but nevertheless more than with Germany.

Thus while the principal ties of Continental countries run toward the group as a whole, some have strong secondary interests in the UK. Although trading modestly with the UK itself, France and Italy secured 25 per cent of their imports from the whole sterling area; and the other four countries in the Coal and Steel Community also bought (and, in the case of the Netherlands, sold) 15-20 per cent of their goods in the sterling area. Each of the Continental OEEC countries has at least a 10 per cent secondary trading interest in the sterling area. On its side, the UK has a secondary interest in the Continental market as a whole amounting to more than 20 per cent of exports and imports, dispersed over the whole group. The interlaced interests between the Continent and the sterling area made it sensible to bring the UK into the European Recovery Program and to link sterling with the European Payments Union.

[3] This statement holds for each country for the whole five-year period on average, taking the median of the five yearly proportions as representing the average.

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IV. Complementary and Competitive Relationships Between World Areas

Economic relationships in the free world thus define six groups of countries: the three major market areas and the three groups of countries principally interested in them, which we may call their affiliates. The three economic centers, of course, include practically all the exporters of advanced manufactures in the free world. Canada, Japan, and (with respect to textiles) India are about the only other sources. Countries outside the three main centers concentrate on the export of more or less refined foodstuffs and materials (including petroleum). Free world trade basically consists of an exchange of these foodstuffs and (more or less refined) materials for the advanced manufactures of the three main centers and, I might add, their shipping, insurance, use of their capital, and other services.

This basic pattern of complementary trade between the three centers and their affiliates is complicated by two other features. The US is not only a source of advanced manufactures; it is also a very important source of foods (and tobacco) and materials (including coal) for Western Europe and the affiliated countries of all three areas. Moreover, countries on the Continental fringe also are important suppliers of foods and materials: the Scandinavian countries, of foods, forest products, and iron ore as well as advanced manufactures; the Mediterranean countries, of tobacco, olive oil, cork, citrus, and a variety of non-ferrous metals (scarce ones like tungsten, mercury, and chrome and the more common ones like copper and zinc). Even in the industrial heart of Europe one finds an important exchange of German coal for French iron ore, a trade basic to the Coal and Steel Community. Several of the OEEC countries, notably France, Turkey, and Sweden, have exportable surpluses of cereals, and a variety of foods move from the Low Countries and Italy into Germany. Thus within the Continental group and, furthermore, between the Continent and the UK, there is a substantial trade in foods and more or less refined materials. In addition, the US, the UK, and several Continental countries are trading centers for the foodstuffs and materials which they buy (or which foreign branches and subsidiaries of their firms produce) mainly in countries affiliated with them. Thus trade between the industrialized countries of the world is not confined to advanced manufactures; it is heavily a trade in food, fuels, and more or less refined materials, including food and materials originating in their respective affiliates which the centers distribute.

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In the main, the US, the UK, and the larger industrial countries on the Continent are rival suppliers of advanced manufactures to the rest of the world. They are also rival buyers in world markets of the foods and materials which the US imports heavily. These foods and materials which both the US and Western European countries buy are supplied by affiliates linked to each of the three centers, so that we must think of some affiliates in each group as being rival suppliers to the industrial centers, but for some reason or other finding one industrial center a better market than another.

I do not know of any important food or material imported by the US which Europe does not also import, but there are several which Europe imports heavily and the US little, if at all; indeed, the US exports some of them. For this last group of foods and materials the US is a supplier in competition with some affiliates of the three main centers. Thus, in supplying wheat and cotton to the world, the US competes with Canada, Mexico, Argentina, Brazil, Pakistan, Egypt, Australia, and New Zealand and in supplying rice it competes with Burma and Thailand.

For the sake of completeness, mention should be made of the competitive relation among Scandinavia, Canada, and Russia in supplying coniferous forest products to the Continent. Competition for the European market also exists among the Continental Mediterranean producers of olive oil and citrus and the vegetable oils and citrus producers on the southern and eastern shores of the Mediterranean and in Florida and California as well.

V. Determinants of the Radial Structure of World Trading Relations

With the US, the UK, and Continental countries basically rival suppliers of advanced manufactures to the rest of the world and rival buyers of foods and materials from their affiliates, and with their affiliates rivaling each other in supplying foods and materials to the industrial centers, how does it happen that the countries of the world fall so neatly into three broad groups trading principally with each other? How are we to explain the fact that the copper of Rhodesia and the Congo goes mainly to the UK and Belgium while the copper of Chile goes mainly to the US? That the coffee of Latin America goes mainly to the US while the coffee of Africa goes mainly to Western Europe? That Canadian forest products come mainly to the US while Scandinavian forest products go to the Continent and the UK? On the other side, why do we see advanced manufactures (e.g., equipment) of the

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UK going mainly to the rest of the sterling area while those of the Continent go mainly to the Continent itself and to countries outside the sterling and dollar areas and those of the US go mainly to the Western Hemisphere?

I do not have a full answer to these questions and am able only to suggest the directions in which an answer lies. Geography and transport costs clearly play an important part, but equally important is the part played by the commercial and financial policies of government, the structure of foreign investment holdings, and the structure of industrial arrangements.

That trading ties with the British Commonwealth and Empire are strengthened by tariff preferences is well known but not always well appreciated, and they have been reinforced (except with respect to trade between Canada and the others) by governmental management of sterling in the postwar era. Quite as important are the ties of enterprise and foreign investment which link the UK to the rest of the sterling area. Estimates of the foreign investment earnings of the UK (including the earnings on overseas activities of its petroleum, shipping, and insurance companies, which more than double the investment income that the UK discloses in its balance of payments) indicate that in 1951 close to half of the UK's earnings on foreign investment originated in the sterling area. Earnings from outside the sterling area came mostly from three petroleum sources—Iran, Venezuela, and Indonesia. Information published by the Bank of England on UK overseas investments indicates that they are mainly investments associated with the production of foods and materials—in mining and smelting (including gold and diamonds), in petroleum, and in plantation agriculture (rubber, tea, etc.). Many other British overseas investments are in transport, communications, public utilities, and financial services, and these facilitate the movement of foods and materials from producing countries to markets in the UK and other industrial centers.

Similar ties of commercial policy, currency arrangements, and foreign investment link Continental metropolitan countries to their overseas territories, and place rival suppliers either of foods and materials to the metropoles or of advanced manufactures to the territories at a competitive disadvantage, even as non-British (or non-sterling) rivals are at a disadvantage in the sterling area. At the present time, the discriminatory trade liberalization within the European Payments Union strengthens the complementary relations among Continental OEEC countries and sterling area countries to the disadvantage of competing dollar sources of supply. Investment ties among the Continental coun-

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tries do not appear to be as strong as those between the UK and the rest of the sterling area, but about 40 per cent of Continental OEEC foreign investment income seems to have originated with other Continental OEEC countries, and this does not count investment income received by France and Portugal from their overseas territories.

Whereas governmental policy in the guise of commercial policy, import licensing, and the management of inconvertible currencies serve to tie one group of countries to the UK and sterling area and another group to the Continental countries, countries oriented toward the US are only in small measure affected by governmental commercial policy preferences. So far as I know, these extend only to Cuba and the Philippines among countries outside the US customs area. The group of countries trading principally with the US does so mainly for private commercial reasons rather than because governmental arrangements make it preferable. However, it must not be overlooked that US investments in enterprises producing and exporting many of the foods and materials supplied to other countries in both the Western and the Eastern Hemispheres in great measure determine the direction of the flow of these foods and materials to the US rather than, say, to Europe.[4]

The mutual trading advantages linking countries in the three interest groups thus appear to reflect in part natural geographic advantages, in part governmental commercial policy and financial (currency) arrangements, and in part private investment interests. In addition, the structure of international industrial arrangements should be taken into account. The grouping of countries in three blocs according to their principal trading interests and the concentration of each center on supplying its affiliates parallel in many ways the characteristic international private cartel agreements on advanced manufactures that divided world

[4] Thirteen US imports in 1952-1954 from Latin American countries (excluding Argentina) and Curacao (NWI), accounting for from 83 to 89 per cent of all items from those countries, were coffee, petroleum, cane sugar, copper, cocoa, lead, iron ore, bananas, zinc, tungsten, wool, tin, and manganese. Except for coffee, cocoa, and wool, every one was the product of foreign enterprises in which Americans have invested heavily. Similarly, thirteen items from Canada which accounted for 71 per cent of all US imports from Canada in 1954 were newsprint, paper base stocks, sawmill products, nickel, grains (imported for milling in bond for re-export), aluminum, fish, copper, asbestos, zinc, meat products, lead, and iron ore. I do not know about grains, fish, and meat products, but all others are products of industries in which Americans have invested heavily. The Commerce Department (in Department of Commerce, *Foreign Investments of the United States*, Washington, D.C., 1953, p. 2) has estimated that in 1946-1950 "about a quarter of the goods then imported by the U.S. was supplied by U.S.-controlled enterprises abroad." As the total includes sizable amounts of wool, rubber, and tin from the Far East, in which the US does not have particularly large investments, I would suspect that the proportion from Western Hemisphere sources supplied by US-controlled enterprises was much higher.

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markets in the interwar period. Under those agreements, especially those based on an exchange of patents and technology, the British Empire—the home market, colonies, and dominions except Canada—was generally reserved to the British company or group. If it was not reserved, at least British interests were accorded a dominant position. North and Central America and US possessions were generally reserved to the American company or group, but sometimes Canada was shared with the British group. National markets on the Continent and in the associated overseas possessions were usually reserved to the respective national companies, if there were any; in addition, Germany secured dominance in Eastern and Central Europe, and France was accorded exclusive rights in the franc area. Japan usually secured rights to the Japanese Empire. This left the less industrialized European fringe, South America, and a scattering of rather unimportant markets in the Middle East and Far East as non-exclusive territory. Frequently, the larger South American markets became the subject of sharing arrangements or joint participation enterprises.[5]

VI. Shifts in the Trading Pattern, 1937-1954

Trading ties between the three economic centers and their respective affiliates have been considerably strengthened by World War II and subsequent events. Major wars have always modified the pattern of world trade and World War II was no exception. Interruption of supplies from Europe gave a start to new industries in Latin America, the Far East, and Oceania, and postwar shortages (and considerable

[5] The division of markets by the incandescent electric lamp cartel (Phoebus) provides an example. The cartel distinguished three types of markets: home markets, British Overseas Empire (including the dominions, except Canada), and common territory. Home markets were reserved to each member. The British Overseas Empire was left dominantly to the British firms, with lesser shares going to Dutch, German, Hungarian, and American firms. North America (including Canada), Central America, and US possessions and dependencies (except the Philippines) became the exclusive territory of the US cartel member. The sales territories of the Continental producers were: *German*—Germany and a share of Austria, Italy, Spain, and the British Overseas Empire; *Dutch*—Holland and Belgium and their territories, a share of Italy and Spain, and junior participation in the British Overseas Empire; *French*—France and its overseas territories and a share of Spain; *Hungarian*—Hungary and shares of Austria, Italy, and the British Overseas Empire; and *Japanese*—the Japanese Empire. The remaining common market was mainly in the unspecified European countries and South America. The German firm had preferred patent rights in Scandinavia, Central and Eastern Europe, the Balkans and Turkey, and (with Dutch and Hungarian producers) had practically all the common European market. In Argentina, several producers—US, German, Hungarian, and Dutch—sold through a joint subsidiary.

The Phoebus cartel is summarized in George W. Stocking and Myron W. Watkins, *Cartels in Action*, New York, Twentieth Century Fund, 1946, pp. 335ff.

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protection) have strengthened their position. Populations have increased and moved to the cities to man new industries, cutting into exportable supplies of foodstuffs. Industrialization has also cut into exportable supplies of materials and sometimes has even produced a demand for net material imports. It has usually increased the need to import fuels. The prewar complementarity between industrial Europe and many customers across the seas has been weakened as new industries—for example, in Latin America and India—have come to meet local requirements and pre-empt local food and material supplies. Much of Europe's postwar economic problem has stemmed from an inability either to forestall or to reverse this development by offering other countries a better alternative, or to adjust to it rapidly by shifting resources into the production of the new things these countries want.

The war brought high levels of employment to the US, and with continued expansion this country has been a much better market than before the war. Indeed, the growing costliness of domestic materials has prompted American firms and the US government to seek out new supplies abroad and much of the outflow of capital from the US since the war has been connected with expanding the supply of foreign materials for American use. Likewise, the UK has concentrated its new foreign investments in the outer sterling area in an effort to develop new supplies of foods, materials, and fuel.

Countries in Eastern Europe and parts of the Far East have fallen under Soviet control, with consequent redirection of their trade away from nearby partners. This has meant a redirection in the supplies of foods and forest products formerly available to Western Europe and Japan, which have had to seek alternative sources. North America has provided the only ready and elastic supply, since other suppliers in the free world have been directing their energies to industrialization, unwilling to risk greater commitment of resources into expanding food and material supplies for the highly uncertain European market.

When we compare the pattern of trading in 1954 with 1937, we see a broad shift toward increasing trade with the US.[6] The relative growth of trade with the US more frequently has characterized countries principally trading with the US or with the Continent than with the sterling area. There are about as many countries with a decreased share of

[6] A little over half the countries of the world for which figures are given by the International Monetary Fund in *International Financial Statistics* (34 out of 53) show a larger proportion of their exports to the US and Canada in 1954 than in 1937, and an even larger number show an increase in their share of imports from the US and Canada (38 out of 53).

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trade with the US and Canada among sterling-oriented countries as with increased shares.

The shift of trading ties toward the US by the Western Hemisphere countries has been spectacular. Without exception, Canada, the Philippines, and the seventeen Latin American republics not located on the River Plate secured a larger proportion of their imports from the US and Canada (which, of course, means mainly the US) in 1954 than in 1937. In half the instances, the US and Canada increased their share of the market by a third. (Of course, where the US had a preponderant prewar position, a large percentage increase in its share was not possible.)[7]

The great increase in the participation of the US and Canada in the trade of countries trading principally with the US has been accompanied by a general decline in the proportion of the trade of those countries with Western Europe. With few exceptions, both the exports and imports of these countries have gone to and come from the Continent and the UK proportionately less. Notable exceptions are the relatively greater exports of Cuba to the Continent and sterling area, and of the Philippines to the Continent.[8]

The great shift in Western Hemisphere trade toward the US is matched in the US trade record by a 50 per cent increase in the proportions of both imports and exports (apart from military aid) traded with the Western Hemisphere. In the record of trade by Continental EPU countries, it shows up as a 40 per cent decline in the proportion of imports from Latin America, almost offset by an increase in the proportion coming from the US and Canada (1953) and a slightly smaller proportion of Continental exports going to Latin America. The UK trade record shows a sizable drop in the proportion of both imports and exports traded with Latin America.

Within the group of countries principally interested in the sterling

[7] The shift toward trade with the US was so great that in 15 of 19 instances imports from the US and Canada rose to 60 per cent or more of the country's total in 1954. All but four of the 19 increased the proportion of their exports going to the US and Canada (the four were Cuba, Honduras, Nicaragua, and the Philippines). Half or more of the other countries increased exports to the US and Canada so much more than to other destinations that the share taken by the US and Canada increased 40 per cent or more, and by 1954 for 12 out of 19 countries the US and Canadian share of exports was 60 per cent or more of the total.

[8] For all Latin American countries taken together, we find for the latest year for which *IFS* gives figures (1953) that the proportion of exports to the US and Canada had increased 33 per cent from 1937 and the proportion of imports 34 per cent, while the proportions going to and coming from Continental EPU countries dropped by 31 and 34 per cent; proportions of trade going to and coming from the sterling area dropped by 43 and 45 per cent.

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area, the "pulling power" of the US market has been much less. Indeed, ten independent sterling area countries (including Iceland, but also the large ones) sent a smaller proportion of their combined exports to, and drew a smaller proportion of their combined imports from, the US and Canada in 1954 (or 1953) than in 1937. This was also true of UK trade with the US and Canada. The UK also shows a considerably greater dependence on other sterling countries as sources of imports and outlets for exports. Trade records of a number of important colonies indicate that between 1937-1938 and 1950-1952 the imports of British colonies (including Malaya) from the UK tended to increase. However, exports of ten important colonies to the sterling area in the postwar period tended to decline in as many instances as they tended to rise. One striking shift in exports by a sterling country has been that of Burma—a shift of rice exports from India, Ceylon, and Malaya-Singapore to Japan and Indonesia. This shift reflects the breakdown of the customs and currency unit that linked Burma and India in the prewar period and the postwar effort of India to become less dependent on imports of rice. Ceylon's well-publicized swap of rubber for Chinese rice has expanded the proportion of its trade outside the three main centers, while its trade with the sterling area has fallen in proportion.

The outer sterling area countries generally seem to be directing a greater proportion of their exports to promising markets outside the area; but the UK has maintained its position as a supplier in the independent sterling countries and has increased its role in the colonies. This latter development may, of course, be connected with the heavy investments which the UK has made in the outer sterling area since the war.

The UK has succeeded in emerging from the war with its principal trading relations pretty well intact. Only a couple of countries (Bolivia and Denmark) which before the war directed principal trading relationships toward the UK have so shifted their trading relations as to be principally interested in another major center. However, the imports of Argentina, Uruguay, Egypt, Finland, and Iceland from the sterling area declined considerably from the prewar to the postwar period (1954). Argentina and Uruguay have shifted their attention to Latin America, Egypt to the Continent and the US, Iceland to the US, and Finland toward the Soviet bloc. The UK has sought to recover the situation by directing a greater part of its energies toward its own overseas territories and the preference markets of the sterling area.

France and Portugal give evidence of having done much the same. France in 1954 sent considerably smaller proportions of its exports to

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the Continent, the US, and the sterling area than in 1937, and expanded its reliance on the market in overseas France. It also bought relatively less from the US and Canada and the Continent than in the prewar period, but relatively more from the sterling area. Portugal also traded relatively more with its overseas territories and exported to a lesser degree to the Continent and the sterling area, and bought to a lesser degree from the sterling area and the US and Canada. However, its exports to the US and Canada were a larger share of its total in 1954 and it imported a somewhat higher proportion from the Continent in that year.

Otherwise, only Switzerland and Turkey, among Continental EPU countries, traded a smaller proportion of their total with other Continental EPU countries in 1954 than in 1937. All other Continental EPU countries were selling and buying on the Continent more heavily in 1954 than in 1937.

The disruption of East-West trade on the Continent particularly affected Germany, Austria, Switzerland, Yugoslavia, and Turkey, each of which traded 10 per cent or more of its prewar imports or exports with what is now the Soviet bloc in Europe. Where foods had come from the East, the deficit has tended to be replaced by imports from the US and Canada. None of these countries secured as much as 10 per cent of its imports from the US and Canada before the war, but in 1954 every one except Turkey (a food surplus country) imported more than that. In the other direction, Finnish reparations obligations have taken a sizable proportion of its exports, and Finland has also increased imports from the Soviet bloc out of proportion to its total.

Out of the welter of shifts and changes this much stands out: *The free world has tended to adjust to wartime disruption by developing more strongly the principal trading relationships between the three economic centers and their respective affiliated countries.* The British Empire trading bloc has become more closely knit, with the possible exception of the Far Eastern countries that have recently won independence; the Western Hemisphere trading bloc is more closely knit, and so is the Continental group.

At the same time, centrifugal forces can be observed in the trading behavior of countries which have gained freedom to make their own commercial policy. We see the Philippines expanding trade with the Continent. We hear that Indonesia has sought to establish direct trading ties with the US (at a recent trade fair). We find Burma striking out for new markets in Japan and (more recently) the Soviet bloc. The desire for betterment expressed through rising nationalism seeks

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a solution through developing new alternatives for buying and selling in new markets.

The observed shift in the structure of trading relations is in large part a consequence of the postwar economic policies of governments. The management of inconvertible currencies, commercial policies, investment policies, even the way in which US foreign aid has been extended, have contributed to shaping the result. We must ask whether the pattern has been developing in a desirable direction, with increased alternatives for traders around the world to buy and sell in the most advantageous market—particularly buyers and sellers in the economically weak and politically vulnerable underdeveloped countries that specialize in the export of food and materials—or whether government policies work in the direction of reducing those alternatives.

VII. Interarea Deficits and Surpluses

To understand international economic relationships, we must go beyond an examination of the structure of gross transactions to consider how trading relations emerge on balance. The light that this article can throw on the pattern of net deficits and surpluses among areas is confined to a single year, 1951, and presents the pattern of balances among the five areas distinguished in Table 1.

Table 2 shows (lines *a*) the net current balances among five world areas derived from regionally allocated transactions shown in Table 1; (lines *b*) the extent to which each current balance was financed by international transfers (government aid and private gifts); and (lines *c*) the remaining deficit or surplus financed by capital, gold, multilateral settlements, and error. Capital movements are introduced in lines *d*. The balances financed by gold and settlements are derived in lines *e*, and these are resolved into gold transactions and settlements in lines *f* and *g*.

The level of current transactions paid by an area (Table 1) generally is in the same order of magnitude as its receipts from its partner. In only two instances out of the ten pairs of areas do the debtor area's debits with a partner exceed its credits by more than 25 per cent, and in no instance do they exceed its credits by more than 50 per cent. Consequently, the net goods and services balances between areas derived from the allocated transactions in Table 1 are the result of fairly small relative differences between credits and debits in the account of the paired areas. We can thus be a good deal more certain of the pattern of gross transactions between world areas than of the net balances

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TABLE 2

THE FINANCING OF NET TRANSACTIONS BETWEEN WORLD AREAS IN 1951

(dollars millions)

		CREDITS BY	DEBITS BY				
		All Areas	*Sterling Area*	*Non-sterling EPU & EPU*	*US & Canada and IO*	*Latin American*	*Other*
Sterling Area							
Net Goods and Services	(*a*)	-2,040	0	-730	-800	20	-530
Net Private and Official Transfers	(*b*)	290	0	-20	330		-20
Net Goods and Services and Transfers	(*c*)	-1,750	0	-750	-470	20	-550
Capital	(*d*)	950		830	30	50	40
Gold, Multilateral Settlements and Error	(*e*)	-800		80	-440	70	-510
Gold	(*f*)	1,030		140	630		260
Multilateral Settlements and Error (balance entry)	(*g*)	-230		-220	-190	-70	250
Non-sterling EPU and EPU							
Net Goods and Services	(*a*)	-1,180	730	0	-1,420	-450	-40
Net Private and Official Transfers	(*b*)	2,290	20	0	2,280	20	-30
Net Goods and Services and Transfers	(*c*)	1,110	750	0	860	-430	-70
Capital	(*d*)	-1,020	-830	0	-80	-60	-50
Gold, Multilateral Settlements and Error	(*e*)	90	-80	0	780	-490	-120
Gold	(*f*)	-300	-140	0	-160		
Multilateral Settlements and Error (balance entry)	(*g*)	210	220		-620	490	120
US and Canada and IO							
Net Goods and Services	(*a*)	4,220	800	1,420	0	1,300	700
Net Private and Official Transfers	(*b*)	-3,470	-330	-2,280	0	-50	-810
Net Goods and Services and Transfers	(*c*)	750	470	860	0	1,250	-110
Capital	(*d*)	-700	-30	80	0	-750	
Gold, Multilateral Settlements and Error	(*e*)	50	440	-780	0	500	-110
Gold	(*f*)	-220	-630	160		110	140
Multilateral Settlements and Error (balance entry)	(*g*)	170	190	620		-610	-30
Latin America							
Net Goods and Services	(*a*)	-720	-20	450	-1,300	0	150
Net Private and Official Transfers	(*b*)	30		-20	50	0	0
Net Goods and Services and Transfers	(*c*)	-690	-20	430	-1,250	0	150
Capital	(*d*)	810	-50	60	750		50
Gold, Multilateral Settlements and Error	(*e*)	120	-70	490	-500		200
Gold	(*f*)	-110			-110		
Multilateral Settlements and Error (balance entry)	(*g*)	-10	70	-490	610		-200
Other							
Net Goods and Services	(*a*)	-280	530	40	-700	-150	0
Net Private and Official Transfers	(*b*)	860	20	30	810	0	0
Net Goods and Services and Transfers	(*c*)	580	550	70	110	-150	0
Capital	(*d*)	-40	-40	50		-50	0
Gold, Multilateral Settlements and Error	(*e*)	540	510	120	110	-200	
Gold	(*f*)	-400	-260		-140		
Multilateral Settlements and Error (balance entry)	(*g*)	-140	-250	-120	30	200	

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between them. Small errors in accounting for gross transactions carried into the net balance may change it considerably.

While considerable uncertainty attaches to the pattern of net balances on goods and services account among the five world areas, I am inclined to feel that the direction and general order of magnitude of the current trade balances are probably correctly stated in Table 2, lines *a*. The US and Canada were in over-all surplus, while the other four areas ran net deficits with the world. The sterling area was in deficit with three areas and was close to balance with Latin America; the non-sterling EPU area was in deficit with every area but the sterling area; "Other" enjoyed a surplus with both parts of the EPU (sterling and non-sterling) but ran deficits with both parts of the Western Hemisphere; Latin America ran a large deficit with the US and Canada; and the US and Canada had a net credit balance with every other area. The relationships can be diagramed as in Figure 1a.

Since the net current balances in 1951 represent fairly small differences between much larger gross receipts and payments, the pattern of interarea balances may very likely change considerably from year to year. On this point a warning must be given. The year 1951 was an unusual one and a year of crisis for sterling; we might anticipate that in other years the size and perhaps even the direction of the net current balance were different.

Part of the current deficits in 1951 were financed by private and official transfers—US economic aid, contributions of the American Jewish community to Israel, remittances of emigrants to the "old country," and the like. Such transfers between countries were almost $5 billion (gross), of which private transfers were nearly $1 billion and those of governments nearly $4 billion. US government aid was a little more than $3 billion; the balance is largely made up of counterpart funds returned to the US and grants by international institutions (EPU and UN organizations) which received contributions from the US and other countries and in turn dispensed grants. To deal with transfers through international agencies, the account of the EPU has been combined with the non-sterling EPU area and that of the UN agencies with the US and Canada as shown in Table 2.

The pattern of current account balances in Figure 1a is modified in important respects by international transfers. The two big aid-receiving areas (non-sterling EPU and "Other") turn from deficit to surplus with all areas and the US and Canada, as can be seen in Figure 1b. The sterling area current account deficit was not fully offset by aid in 1951, even with the US and Canada.

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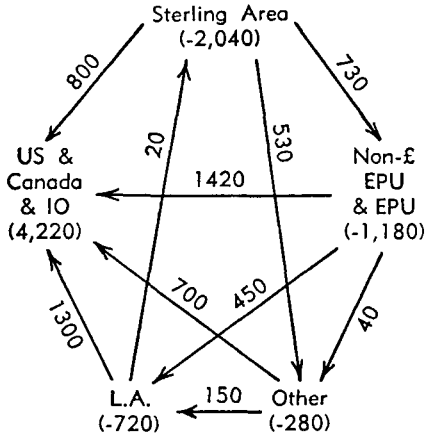
FIGURE I

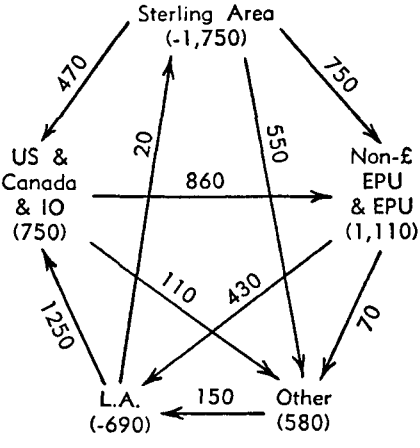
THE PATTERN OF NET TRANSACTIONS BETWEEN WORLD AREAS IN 1951

(Arrow indicates direction of net payments [debits]; parentheses enclose the area's net balance with the world)
(dollars millions)

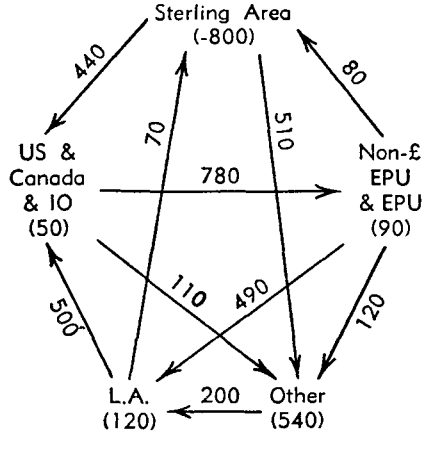
a. Net Goods and Services (financed by transfers, capital, gold, etc.)



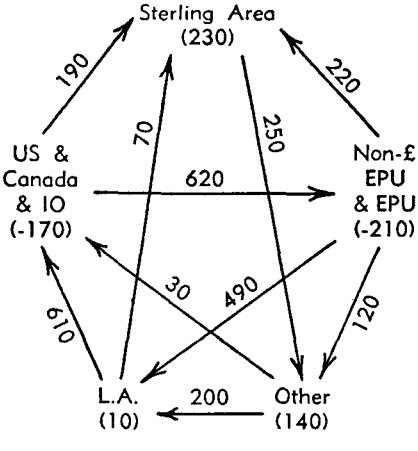
b. Net Goods, Services, and Transfers (financed by capital, gold, settlements, and error)



c. Net Goods, Services, Transfers, *and Capital* (financed by gold, settlements, and error)



d. Net Goods, Services, Transfers, *Capital, and Gold* (financed by multilateral settlements, and error)



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The net balances after transfers shown in Table 2 (lines *c*), to the extent they are not in error, were financed in one of two ways: (1) by transactions in monetary or newly mined gold or by capital movements (including use of exchange reserves) representing gains or losses of future claims; or (2) deficits of an area with one partner may have been met by a transfer of funds from a surplus with a second partner. Because they depict the changes occurring in 1951 in the financial position of the several areas, the net goods, services, and transfer balances in lines *c* of Table 2 (Figure 1b) are of particular interest. We see that in 1951 the sterling area and Latin America yielded up future claims, while the other three areas gained assets.

Large capital flows from the non-sterling EPU to the sterling area (through the extension of EPU credit) and from the US and Canada to Latin America (including the reinvesting of investment income) covered two of the big interarea balances, and indeed we see from lines *e* of Table 2 and Figure 1c that the credit extended to the sterling area more than sufficed to cover its deficit with EPU. It drew funds from the non-sterling EPU area to cover deficits elsewhere.

More than that, the sterling area, which produced about $500 million of new gold in 1951, sold about $1,030 million (lines *f* of Table 2) mainly to the US—but, I think, also to the non-sterling EPU countries and "Other."

Considering Figures 1c and 1d together, one can discern two circular flows based largely on gold and dollar transfers. The first, in a sense, begins with payments by the US and Canada to non-sterling EPU, which in turn permitted that area to meet deficits with its partners and to buy gold from the sterling area. Earnings by Latin America from non-sterling EPU and "Other" provided the means to cover the Latin American deficit with the US and Canada and also the purchase of some gold. The second flow was based upon the large gold sales of the sterling area (about half newly mined), which provided the means for the sterling area to cover its large deficit with "Other." The "Other" area used part of its earnings from the sterling and non-sterling EPU areas to meet deficits in the Western Hemisphere, but mainly added to its gold store.

Thus one can see in these accounts US foreign aid providing one base for a large credit extension by the EPU to the sterling area and for the non-sterling EPU to meet deficits with Latin American and "Other" countries, supplemented by large gold sales of the sterling area, and

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both supporting world trade at a peak level during the highly speculative year 1951.[9]

While indicating something of the broader features of the pattern of net balances between areas, the five-area scheme employed in the tables does not reveal the triangular trades by which Canada employed surpluses with Western Europe to settle part of its deficit with the US, and by which one part of the outer sterling area drew on surpluses with the UK to cover deficits with the US, while another ran a surplus with the US and banked the proceeds in the UK. A really satisfactory analysis would bring out these features of the pattern of world trade and payments.

VIII. Relevance to Foreign Economic Policy

As I have reflected on these features of the structure of world trade and payments, against the background of ten years as a government economist concerned with international commodity problems, commercial policy, foreign investment policy, financial problems, and trade analysis, I have been struck by the way in which they contribute to an understanding of a number of facets of American foreign relations. I shall comment on four: (1) The unique and asymmetrical position of the United States in the world economy and our concern with foreign economic policies. (2) The appropriateness of the regional approach to current problems of various countries; in particular, the contrast between conditions in Europe and in the Far East. (3) The impact of changing levels of economic activity on the world economy. (4) The importance of weighing the effect of alternative policies on the pattern of trading relations around the world.

(1) Note the unique and asymmetrical position of the US in the world economy. This nation is the largest single country in the free world and the focus of one of its three main trading systems. Yet the US has reaped so fully the advantages of thrift, specialization, and trade within a wide and homogeneous internal market, has such a large gold reserve and strong competitive position in world markets, that it pays little heed to possible losses of international money. Rather, it determines domestic economic policies with regard to other condi-

[9] The problems of constructing a set of interarea accounts like those given in Tables 1 and 2, the limitations, and qualifications to the estimates are considered at length in my paper, "Transactions Between World Areas in 1951," Universities-National Bureau Committee Conference on International Economics, Princeton, N.J., April 13, 1956.

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tions, quite unlike other countries. While other countries are greatly dependent on us, we are relatively little dependent on them.

We are concerned with foreign economic policy, not because of our dependence on foreign supplies, nor because of our desire for foreign markets (though particular industries may find these important), nor because we look for further gains from trade, but because of our interest in the economic well-being of friendly nations and all that their well-being means for our military position and the prospects for peace.

Being such an important factor in the world economy, we have a special responsibility to examine the consequences of our actions for other countries. Being relatively wealthy and self-sufficient, we are in a position to make commercial and financial concessions to others, not to secure immediate gain for ourselves, but to secure such modifications in the trading arrangements among other countries as will gain for them many of the advantages we already have. In observing the structure of little national markets outside the US, I have been impressed by the way in which the existing commercial and financial policies of other countries prevent them from reaping the advantages of specialization and trade that we enjoy from our large, continental market.

(2) This leads to a second observation. An appreciation of the extent to which countries in Western Europe have concentrated their trading interests in one direction or another helps us to understand the pull and tug of economic forces underlying the movement toward European integration or preventing one country or another from committing itself fully.

The movement for European integration centers on six countries with heavy trading interests in common. But the tendency for trade to focus on Western Germany, evident in recent figures, gives some governments pause, especially those with trading ties lying in other directions. French ties to overseas France, providing as they do protected markets for manufactures and preferred supplies of foodstuffs and materials, would surely be weakened by integration on the Continent, for it would open overseas France to competition from other Continental suppliers and buyers.

Scandinavian ties, running more heavily to the UK than to Germany, indicate why these countries are not active participants in the European integration movement. The interests of the UK indicate the reason for its reserved position toward underlying European markets. With primary trading relations directed toward the sterling area but with a strong secondary interest spread widely throughout the Con-

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tinent, the UK, even more than France, has not pushed measures like customs unions which would accord Continental rivals an equal competitive footing in its preferential market. Instead, it has sponsored measures like widening the transferable sterling area, which encourages Continental countries to employ sterling more widely.

The success of European cooperation has prompted suggestions for applying the regional approach to other areas. But nowhere else in the free world can one find a repetition of the network of mutual trading interests that exists in Europe. The trading ties of every other area—Latin America, the Middle East, and the Far East—are not principally within the group, but run toward one of the three main centers. This makes it very difficult to design workable regional currency and trading arrangements of the discriminatory European kind.

To attempt a solution of the Japanese problem by creating a "yen" area within which Japan could develop trading relations with other Far Eastern countries under protection of special trade concessions and an inconvertible currency would raise new problems and seems to me highly doubtful of success. Every other free Far Eastern country has its principal trading relations directed toward the US or the UK or other sterling area countries. To seek a preferential position for Japan in these markets would not be acceptable to other Far Eastern countries or to the centers with which they now mainly trade.

The great merit of discriminatory trade liberalization within Europe was that it expanded the area of competition within Europe. A regional bloc in the Far East that carved out a protected market for Japan, rather than enlarging the opportunities for other Far Eastern countries to buy and sell, would, like the old Co-Prosperity Sphere, reduce them. Instead, I would seek to fit Japan into the world economy by removing discriminations against Japanese goods everywhere. This would open up alternatives to buyers and sellers and spread the impact of Japanese competition widely.

(3) The structure of relationships I have described helps us to understand the impact on the world of changes in the level of activity in the US and elsewhere.

The three trading systems of the free world contribute about equally to world trade, as can be seen in Table 1. Changing levels of activity in any one of the main centers can affect the world economy quite as much as changes elsewhere, but they will affect sets of affiliates differently. Effects of an American recession impinge most heavily on the group of countries principally trading with the US. Affiliates of Western Europe may mainly feel the competitive effects of depressed mar-

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kets in rival sources of supply in the Western Hemisphere. Quite possibly, Eastern Hemisphere trade will continue high, while stocks pile up in the Western Hemisphere. Industrial centers in Europe could even gain from a recession in the US because of an improvement in their terms of trade with producers of foods and materials.

Because of the differential nature of change in the US on various parts of the world, the worst effects of an American recession on the Eastern Hemisphere can be offset by the maintenance of high levels of activity in Europe. The effort to do so, however, will tend to impair European exchange reserves unless dollar discrimination is tightened. So a US recession would provide a positive incentive for Europe and its affiliated countries to strengthen mutual commercial, financial, and industrial ties. This is the reason for Europe's determination to maintain the EPU intact even when European currencies become convertible.

The maintenance of high levels of economic activity in the US is a necessary, if not a sufficient, condition for making progress toward removing dollar discrimination and establishing the convertibility of European currencies. And, with US markets continuing strong, the centrifugal forces at work among countries more or less artificially linked to Europe will exert a continuing pressure on European governments to enlarge the opportunities for affiliates to buy and sell in the most advantageous markets. Authorities in the UK, the Low Countries, and Germany maintained positions in 1955 that indicate their feeling that they have much to gain from placing their economies on a competitive footing with the US.

(4) The fact that European finance ministries in 1953-1954 avoided precipitous action to widen the soft-currency trading area has been heartening, and strikes one as persuasive evidence that Western European governments now prefer international trade policies that will check the recent tendency of countries to form into more or less distinct trading blocs separated from each other by government artifice.

At the same time, the tendency since 1937 for principal relationships to strengthen suggests that we should ask of new policies and proposals whether they would open up new alternatives for buyers and sellers, especially in certain countries now affiliated with the major economic centers, for trading with other centers. A most important aim of US and Western policy, I think, should be to find means of widening the area of effective competition within which countries trade. A situation in which governmental and business arrangements attach countries to one particular economic center with little opportunity to buy and sell in other major centers is fraught with political danger.

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Measures which increase competition among the advanced centers in supplying and buying in other countries are to be preferred to measures which reduce the alternatives open to other countries. The EPU and European trade liberalization have been particularly meritorious in this respect. We should now look for measures to bring Western European sellers of advanced manufactures into greater competition with American sellers in world markets everywhere.

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Review Articles

SOME REFLECTIONS ON THE STUDY OF INTERNATIONAL RELATIONS

By HAROLD D. LASSWELL

Quincy Wright, *The Study of International Relations*, New York, Appleton-Century-Crofts, Inc., 1955, 642 pp. $6.75.

THE academic study of international relations is described by Professor Wright as a discipline "in process of formation." No scholar has done more than Quincy Wright to give direction and impetus to the field whose aim he describes in these prefatory words: "[To foster] wise judgment upon the direction and rapidity of [the process of rapid] change and upon the relative importance of the factors involved. . . . By education in such a discipline the public may be guided to a clearer understanding of the complexities of the situation, to a more mature comprehension of the purpose of over-simplified interpretations continually offered, and to a capacity to choose the better values. The leaders may be assisted in their task of perceiving possible alternatives of action in a given situation and of committing themselves to that alternative most likely to realize those values" (p. ix).

This is an impressive conception. One must respond with enthusiasm once the case is made for the intellectual viability of the idea. Does the vision provide a workable chart of the future? I propose to leave to one side the tantalizing questions that arise wherever serious attempts are made to provide forms suitable for the incorporation of the study of international relations into the structural framework of university life. Acting in harmony with the spirit of Professor Wright's purpose, I shall give exclusive consideration to the thesis that the subject is one worthy of acceptance as an independent, coordinate discipline.

Since the book has been available for a time, it is unnecessary to devote much attention to the general plan. The author speaks of eight disciplines as the "root disciplines of international relations": international law, diplomatic history, military science, international politics, international organization, international trade, colonial government, and the conduct of foreign relations. These are supplemented by specialties "with a world point of view": world history, world geography, pacifism, the psychology and sociology of international relations;

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humanistic, social, and biological disciplines; and the recent development of regional studies, operational research, and group dynamics. Successive chapters define each discipline, outline its "assumptions," sketch its modes of "analysis," and offer "criticisms" from the point of view that Wright has evolved for the international field. The concluding part of the volume, entitled "Toward a Unified Discipline of International Relations," contains an affirmative sketch of what it is hoped will prevail in times to come.

The enterprise is executed with the sanity, sobriety, and industry that his colleagues have learned to expect from the distinguished author. The bibliographies are exceedingly serviceable guides to the present state of the many branches of knowledge with which they deal. It is quite impossible to read through the book without obtaining a firmer grasp of the present context of knowledge.

Before launching upon a more fundamental evaluation of Quincy Wright's vision of the field, I propose to raise a few questions about the chapter in which the most sustained piece of creative work appears. In Chapter 32 the author sketches the "form" of the proposed discipline. He undertakes to describe a "field" which is constituted by the relations among relevant "entities," "forces," "sentiments," and "processes" (p. 536). After referring to the "geographical field" of ordinary time-space events he introduces the idea of an "analytic field," multi-dimensional in character, within which any component entity may be located. Each component is referred to as a "system of action" (or a "decision maker"). It is said that the field "may be defined by co-ordinates, each of which measures a political, economic, psychological, sociological, ethical or other continuum influencing the choices, decisions, and actions important for international relations" (p. 543). Each "system of action . . . has different structural levels which may have different criteria of choice" (p. 544). Individuals, for example, are "influenced at the biological level" by the id, at the "social level" by internalized values (the super-ego), at the "psychological level" by the ego, and at the "action level" by the will. Six co-ordinates are proposed for the "capability field" and six for the "value field." Professor Wright's expectation is that when geographical data are also described by diagrams that depict the analytic field, the student of world affairs will have at his disposal a body of correlations constituting the hard empirical core of the subject.

My suspicion is that this conception in its present form is more likely to encourage unrewarding formalism than to aid in accomplishing the aims of the author. The difficulties that arise in connection with two of

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the proposed axes of the analytic field may be taken as representative of the snags that are likely to block the way. The "restriction-liberal" axis is said to locate action systems "according to the degree in which they identify themselves and interpret their relations broadly" (p. 552). The "self-orientation-situation-orientation" axis locates "systems of action according to the degree in which they guide decisions by self-interest, or by consideration of, and reciprocal interest in, others" (p. 552).

The meanings referred to by the first axis are composite; and I suspect that it would be clearer to describe them separately in ordinary "time-space" terms (which would keep them in what Professor Wright calls the "geographical" field). Thus critical attention would be directed to appraising the stability of reference of the "operational indexes" chosen to connect concept terms with an observational field. Generalized relations can be ascertained by the use of appropriate mathematical models (and many graphical devices are at hand for visualizing these constructs). The "restriction-liberal" dimension is intended to depict the degree in which a decision-maker identifies "broadly." This can be understood in two different, related, and important senses which need to be kept separate. The first sense relates to what the present reviewer has called the "identification system," the connections between an "ego" and other "ego" systems that form a "self." Presumably an ego identifies "broadly" if it includes a large rather than a small segment of mankind within the system of identifications. (Let us say that an identification is with the "North Atlantic powers" rather than with a single country.) But "broadness" may also relate to the policies that are pursued on behalf of any component of the self system. Thus the decision-makers of a Nation State may pursue inclusive policies jointly with an ally, and engage at the same time in narrow policies (exclusive demands) on behalf of another coalition. What is called the axis of "self-orientation" appears to duplicate the second definition given above of the "restriction" axis, since the latter is in terms of the breadth of "self-interest," which presumably relates to the inclusiveness rather than to the exclusiveness of the demands sought. In general, the proposed dimensions of the analytic field seem vulnerable to strict analysis.

After all, however, these are details; and our chief responsibility is to assess the panoramic vision of the future of international relations as a discernible discipline. On the central theme there are grave reservations to be made. At the same time it can be affirmed that Professor Wright has done something of even more significance than he imagines. He

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has provided a model of what every university-minded scholar who measures up to the great tradition of learning is presumed to do. He has made explicit his image of the context in which his particular tasks are set. The approach is genuinely configurative. It deals with the tools of thinking whereby the inquirer may improve the probability of achieving a correct orientation of the self in the manifold of events constituting the future as well as the past. In this manifold he seeks to clarify his preferred events (his goal values). A crucial issue, for example, is whether he commits himself to a pattern of social relationships in which values are at the disposal of a few or are widely available throughout the community. It may be that he will seek to derive his formation of goal values from propositions purporting to characterize the trans-empirical (the Will of God; the metaphysical structure of the universe). Or he may be satisfied to clarify his values by making any proposition in which they are formulated subject to the discipline of recurring reconsideration in the light of the whole context of demand, expectation, and identification in which he operates.

Such an orientation renders it essential to view on a global scale the trends that involve the goal values; to assess and to expand the existing body of knowledge that pertains to the interdependencies among variables; to chart the future of probable development if no new initiatives are taken; and to estimate the future if new alternatives of policy are invented and applied.

Such an orientation renders it essential to view on a global scale the every scholar, whether he purports to concern himself primarily with the theory of history or the details of historical occurrences, with the theory of the social process or special categories of interaction, with the theory of personality or selected phases of development. It is the challenge of a lifetime to acquire a critical world view of these dimensions. During the years that Professor Wright has been contributing to specific topics, he has explored the full map of knowledge; he has been living up to the highest requirement of university scholarship.

Now it is quite clear that not all scholars will find themselves able to contribute to the literature that takes as its topic the image of the whole. However, it is within the academic responsibility of some to do so, especially those who act as guides to the scope and method of any continuing set of scholarly tasks. The courses relating to the scope and method of a task area need to be related to the larger map of which it is a part. This is most expeditiously done when accomplished "insiders," conversant with the predispositions of a group, devote themselves to the continuing exercise of selective judgment. Every contextual image will

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differ in some ways from every other. Certainly the map offered by Professor Wright is insufficient for the student of comparative government, or comparative law, or comparative child development. It is unsatisfactory in many ways for the study of world politics, since in seeking to encompass the whole gamut of social interaction on a global scale, Professor Wright has left the examination of the decision process (the coercive choice) in a somewhat primitive state.

The kinds of information that Professor Wright desires in order to provide an empirically valid image of world trends and factors are precisely the kinds of knowledge that need to constitute the content of the intelligence function of any decision process relating to major matters. So vast are these requirements that it appears impracticable to think of them as the province of any specialist. Rather, it is the opportunity and responsibility of all the intellectuals of society to channel the entire stock of information into accessible and disciplined form. Already there are "map centers" at some focal points of decision where vast congeries of information are concentrated in more or less comprehensible form, and where projections of the future are available for critical assessment. Every institution deserving the name of a university may wisely draw upon the resources of the faculty, supplemented by other sources, to provide a "map center" accessible to all, providing a comprehensive image of local, regional, and inclusive trends and projections. "Map centers" of this kind are of more than immediate or eventual interest to the makers (or advisors) of public policy. They may well influence the private policy of each scholar in making up his mind about the neglected areas in the existing body of knowledge, and in settling upon his programs of inquiry with a view to overcoming these deficiencies.

In a word, what Professor Wright puts forward as the field of international relations is a preliminary sketch of some of the more important requirements of the whole stream of intelligence within which any scholar or policy-maker needs to operate. The book exemplifies a trend toward the growth of a common frame of reference for all intellectuals in the Free World, at least. Hence it represents a step toward reversing the trend toward specialization, a trend carried forward by scholars possessing no common intellectual map and characterized by indifference or even hostility to the pertinence of such a map. By this time the story of specializations from the "mother matrix" of philosophy is an old one. Even the members of departments bearing the honorable name of philosophy became indistinguishable from other men in terms of the breadth or depth of their images of the world. They were typi-

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cally preoccupied with whatever residual details of the intellectual life were insufficiently vital to generate an independent academic structure.

It is not to be supposed that the growth of specialization was a revolt against a satisfactory world image. On the contrary, the older image was often in the custody of specialists who treated it as a final revelation, and sought to master the ever-complicating life of man with the method of establishing truth by definition. Pertinent definitions call for observation, and observation requires procedures whereby the observer is enabled to orient himself to a system of events within an event-system, to record observations, and to process the results in reference to theoretical models either designative or prescriptive in character. Empirical preoccupation provided a means of re-editing a picture of the whole; and the current recovery of concern for comprehensiveness is a mark of the success with which the encompassing of the observable globe has been carried on by recent generations of scholars. The resuscitation of the philosophic vision is occurring in the minds of many men, especially those who have been disciplined by familiarity with the institutional diversity of mankind. Among the historians the name of Arnold Toynbee stands for this type of quest for synthesis. Anthropological scholars recognize that they owe much to the bold yet patient work of Alfred Kroeber, their dean. Among economists we may name the late Joseph Schumpeter. For many sociologists illumination comes from Karl Mannheim. Among the names that might be chosen from the jurists there is Julius Stone. It is apparent that the present work of Quincy Wright cannot fail to aid in the orientation of the scholarly efforts of several conventional bands of scholars.

We conclude by saying that if Professor Wright has mistaken the intelligence task of the whole body of scholars for the province of a new specialty he has at least provided an impetus to the discovery of the scope and method of the intelligence function itself. And this is no mean achievement for any scholar in any age.

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THE CLARIFICATION OF ENDS
Or, Which Interest Is the National?

By WARNER R. SCHILLING

Robert Endicott Osgood, *Ideals and Self-Interest in America's Foreign Relations*, Chicago, University of Chicago Press, 1953, 491 pp. $6.50.
Thomas I. Cook and Malcolm Moos, *Power Through Purpose: The Realism of Idealism as a Basis for Foreign Policy*, Baltimore, Md., Johns Hopkins Press, 1954, 216 pp. $4.00.

I

A NATION'S foreign policy may be conceived as an effort to obtain or maintain preferred arrangements of things and people abroad. The success of the effort is dependent upon many factors, not the least of which are the kinds of arrangements that foreigners are themselves trying to secure. However, the first opportunity to influence the success of policy is usually afforded to nationals when they determine just what arrangements they prefer and, then, just what intermediate movements of things and people will most efficiently secure them. That the success of American foreign policy has, in fact, been unfavorably influenced by these choices is the major thesis of the two books under review. They focus considerable criticism on the policies through which Americans have tried to secure their preferences, but their primary complaint is with the character of the preferences themselves.

Osgood's analysis covers the period 1890 to 1941, and he finds the results of past American policy quite unsatisfactory. The major difficulty lay in the fact that Americans "were largely ignorant of the actual ends and motives of nations, including their own" (p. 17). The failure of Americans to understand their own ends, which Osgood groups into "two basic categories," took the form of overestimating the importance of one ("ideals") in relation to the other ("national self-interest") (pp. 5, 10). While in practice Americans were never "consistently true to their ideals if the translation of those ideals into reality . . . required an important sacrifice of the national self-interest," the failure to clarify this basic relationship led to policies marked by "drift, bewilderment, improvisation, and disillusionment" (pp. 431, 18). The nation escaped "suicide," he concludes, only by virtue of a "fortunate configuration of circumstances" (viz., oceans, the British fleet, and the Continental balance of power). Since these safeguards have largely dis-

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appeared and he intends his analysis to have contemporary utility, Osgood addresses himself to the "problem of reconciling national self-interest with universal ideals transcending the interests of particular nations" (pp. 430, 1).

Cook and Moos deal more directly with the present. Their book is not without backward glances, but the majority of its pages are devoted to the issues at stake in the Cold War and to the policies by which America can win it. In this connection the authors develop a large number of interesting propositions, which are, unfortunately, more often repeated than elaborated. "The root need for the effective conduct of American foreign policy," they declare, "is a coherent theory of political ethics and its proper application to political dynamics" (p. 31). Accepting the challenge, they argue that the basic objectives of American society are derived from a European culture "whose ethical principles rightly claim universal validity" (p. viii). The pursuit of these objectives at home is "our national interest"; the promotion abroad of their underlying principles is "our international interest" (p. 129). But, like Osgood, Cook and Moos are concerned about the clarity with which Americans perceive these interests. "The two historic hindrances to an effective American foreign policy," they note, were "isolationism and individualism" (p. 86). "Today the chief impediment to such a policy is the currently prevalent doctrine of national self-interest" (p. 125). Accordingly, Cook and Moos undertake to explain how this doctrine betrays "the underlying principles which we inherited from the culture of the West" and to demonstrate "the true national interest of the American people" (p. 127).

As the preceding summations indicate, these books have cast their discussion of national ends in the terms of the so-called "realist-idealist debate." (Cook and Moos acknowledge that their book owes much to the "goading" provided by the writings of Hans Morgenthau, and teachers searching for contrasting assignments will find Chapters 4 and 5 especially useful.[1]) Since some auditors of this debate have been impressed by the apparent reluctance of participants to conceive of the national interest as being whatever the more powerful nationals say it is and by the ease with which the flag of "the national interest" can be hoisted over what seem to be, in the final analysis, only personal pref-

[1] As for Osgood's book, both Morgenthau in his Foreword and Osgood in his Preface avoid reference to intellectual similarities and differences, and the present reviewer is not going to undertake the task. It is worth noting, however, that Osgood's ideas seem to have much in common with those of Reinhold Niebuhr. See Robert W. Tucker, "Faith, Reason, and Power Politics," *World Politics*, v, No. 3 (April 1953), pp. 392-413.

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erences, it may be useful to specify the manner in which the present books approach the subject.

The authors appear to be contesting not the ends which Americans have chosen but the clarity with which they have perceived the relative importance of their ends. There is a need for some judgment about the relative desirability of preferred arrangements, given that both things and people and a nation's capacity to move them are limited; unless nationals keep these judgments constantly in mind they may easily initiate policies terminating in unexpected and unsatisfactory results. In discussing this problem, both books necessarily engage in descriptive analysis (X is preferred to Y), but neither is apparently intended as an essay in purely normative analysis (X ought to be preferred to Y). Rather, the intent of Cook and Moos seems to be what might be called instrumental analysis (if X is preferred to Y, then *a* should be preferred to *b*). In contrast, the basic approach of Osgood is clearly that of determinate analysis (given C-condition, X must be preferred to Y).

These are clearly no easy tasks upon which the authors have directed their energies, and the manner of their accomplishment may provide one measure for judging the utility of the concepts employed in the aforementioned realist-idealist discussion.

II

In his Introduction, Osgood notes that the current literature of international relations is replete with references to "realists" and "idealists" but almost devoid of any serious effort to define these terms. Such criticism can certainly not be leveled against his own work, and readers interested in assaying the potentialities of a classification system built around the distinction between "ideals" and "national self-interest" will be well advised to turn to this book. In the course of classifying actors over the period 1890-1941, Osgood does a very impressive job of summarizing the foreign policy views of American political, journalistic, and scholarly elites. Given the scope of his work, he has understandably relied on published sources, and his use of the pre-1919 material is especially thorough. Although his coverage seems more scanty for the period after World War I, he deals throughout with a remarkable number of persons, ranging from those of general repute to those whom even specialists will be pleased to meet. These summaries give the book a value quite apart from that provided by the analysis.

Osgood defines "national self-interest" as a "state of affairs valued

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solely for its benefit to the nation." Among such interests (and in order of their value to Americans) he lists: "self-preservation," that is, "territorial integrity, political independence, and fundamental governmental institutions"; "self-sufficiency, or the conduct of foreign relations without reference to other nations or to matters beyond unilateral national control"; "national prestige"; and "national aggrandizement."

An "ideal" is a "state of affairs worthy of achievement by virtue of its universal moral value." American ideals are "derived from the Christian-liberal-humanitarian tradition of Western civilization." As examples he lists (again in order of value) the American desire for, first, "honesty, truthfulness, fidelity to obligations, kindness, fair play, [and] lawfulness" in the conduct of international relations; and, second, the achievement of "some state of international affairs believed to be of benefit to all mankind, such as peace, good will, and justice among nations, or freedom and a decent standard of living for all men" (pp. 4-7).

The point about these "two basic categories" of national ends is that Osgood does not consider their relative ranking a matter of individual choice. He sees this ranking, rather, as predetermined by the nature of man. The "conflict between ideals and self-interest," he asserts, is a "fundamental part of all human relations, whether among individuals or groups of individuals, for man's conscience is geared to ideal aspirations which his innate selfishness prevents him from attaining" (p. 1). The "fact that man has a moral sense as well as an ego and that both parts demand satisfaction" explains the "peculiar intensity" of modern nationalism. For through the nation-state, the individual has acquired a "second self" that permits him "to combine lofty altruism toward his own nation with extreme egoism toward other nations" and thus satisfy "two profound impulses in one great emotional coalescence" (pp. 17, 11). Consequently, until a "psychological revolution" transfers man's allegiance to a group greater than the nation, nationalism "renders the primacy of self-interest among national ends an indisputable and unavoidable reality of international politics" (p. 13).

Since Osgood's definitions do not provide a means for empirically distinguishing between those states of affairs which satisfy man's egoistic impulse and those which satisfy his moral impulse, the testing of his hypothesis is rendered rather difficult. It is as if one had to test the proposition that the sex drive is stronger than the hunger drive without knowing anything more about food than that it was a state of affairs valued for its benefit to hunger. His definitions point to the motive for choice, not to the state of affairs chosen, and, as Osgood points out,

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"One can never be sure whether selfishness belies some subtle compassion or whether altruism is the guise of a secret anticipation of self-satisfaction or the approbation of others" (p. 4).

Another difficulty with Osgood's classification is that while his theory of human nature requires an emphasis on the two basic categories of national ends, the nationals he must classify usually have a variety of ends from both categories. He observes that "there is no such thing" as a "perfect idealist," but "in so far as they are governed by ideals" individuals "may be called idealists" (cf. "egoists"). Similarly, those who believe that nations ought to be governed by ideals are also "idealists" (cf. "national egoists"), and those who believe that nations are, in fact, so governed are "utopians" (cf. "Realists") (p. 8). The determined effort that Osgood makes to cope with the variation among individuals within this bipolar framework can be illustrated by his use of such subcategories as altruistic idealism, utopian idealism, impulsive idealism, wishful utopianism, idealistic utopians, intellectual idealists, liberal and conservative idealists, and militant and pacificistic idealists. Similar ramifications follow from his development of egoists and Realists, but despite such distinctions, which are themselves not always clear, the pull of his basic dichotomy does seem to lead Osgood to extreme classificatory judgments.

A case in point is his image of the "consistently altruistic" Woodrow Wilson who wanted nothing "selfish from the peace" and whose "aversion . . . to all elements of force in international relations caused him to depreciate strategic calculations as a basis for national action" (pp. 279, 297, 191). In a sense, it is impossible to contest Osgood's judgment of Wilson's motives. But it is doubtful if all readers will find this description an adequate preparation for meeting the Wilson who contested Lloyd George's proposal to divide captured German merchant ships in proportion to the allies' shipping losses. America had seized more tonnage than she lost, and Wilson anticipated trade rivalry with Britain after the war. "If we do nothing else here," he announced at the Peace Conference, "we will retain those ships," and he had his way in the Council of Four.[2]

There is also the Wilson who was determined to build the largest

[2] For Wilson's remark and his expectations of rivalry with Britain, see Edward N. Hurley, *The Bridge to France*, Philadelphia, 1927, p. 313; Ray Stannard Baker, *Woodrow Wilson: Life and Letters*, 8 vols., New York, 1927-1939, VIII, pp. 365-66; and Josephus Daniels, *The Wilson Era*, 2 vols., Chapel Hill, N.C., 1944-1946, II, pp. 572-74. For the negotiations, see *Papers Relating to the Foreign Relations of the United States: The Paris Peace Conference*, 13 vols., Washington, D.C., 1942-1947, V, pp. 161-63; VI, p. 276; and XIII, p. 845.

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navy in the world and who launched the final stage of this program on the eve of the Peace Conference. "In the last analysis the peace of society is obtained by force," Wilson told a pacifist group in 1916, "and . . . [if] you say, 'We shall not have any war,' you have got to have the force to make that 'shall' bite."[3] Finally, since 1956 is his Centennial Year, it may not be amiss to note that available evidence will no longer support the interpretation (cited by Osgood, it should be noted, only in passing) that Wilson was so concerned with the "moral aspects" of Japanese expansion in Shantung that he was indifferent to the strategic consequences of her mandate over the former German islands in the north Pacific (p. 334n). In fact, unlike his naval advisers, Wilson had no faith in Japan's observing the disarmament terms of the mandate and tried to get the islands placed under a five-Power mandate.[4]

The disillusionment that followed World War I is Osgood's major illustration of his thesis that, by failing to realize how selfish they are, Americans have frequently undertaken altruistic policies they were later forced to repudiate. As Osgood sees it, the failure to clarify ends was twofold. In the first place, Americans failed to realize that neither the ideal end (obtain peace and democracy abroad) nor the egoistic end (maintain national honor in the face of German submarine warfare) which led them to war was as important as the egoistic end they would sacrifice through war, namely, "self-sufficiency." The result was the postwar conclusion that "intervention had been a terrible mistake." Osgood himself does not share this conclusion, for he believes that Americans also failed to realize that their most important egoistic end ("self-preservation") was also at stake in the European conflict. Accordingly, he joins the ranks of those who condemn the "moralistic nature" of Wilson's leadership for obscuring "what should have been the most compelling reason for American intervention" (pp. 111-13, 261-63).

Several questions remain to be answered before the American reaction to World War I can be ascribed to a failure to see clearly the relative importance of the ends involved. Osgood does not treat these

[3] Quoted in Harley Notter, *The Origins of the Foreign Policy of Woodrow Wilson*, Baltimore, Md., 1937, p. 515.

[4] See, for example, Wilson's notation on a copy of Smuts's mandate proposal of January 29, 1919: "I could agree to this if the interpretation in practice were to come from General Smuts. . . . [But difficulties with Japan] loom large. A line of islands in her possession would be very dangerous to the United States." (House Collection, Yale University Library.) Wilson's counter-proposal is mentioned in *The Paris Peace Conference, op.cit.*, v, p. 140. The point is developed in full in the present writer's doctoral dissertation, "Admirals and Foreign Policy: 1913-1919" (Yale University, 1953).

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questions, but they seem pertinent to the validity of his analysis. How, for instance, is it known that some Americans did not change the weight among their ends during or after World War I? Such a change would also explain postwar judgments that intervention had not been worth the costs. Did Americans fail to realize the importance of certain "ideal" ends relative to certain "egoistic" ends, or did they just underestimate the resources that would be required to secure those ideal ends and, hence, the cost to egoistic ends? A good historical case can be made for such a miscalculation, and it, too, could explain a later judgment that intervention was a mistake.

Osgood dismisses Wilson's own analysis of the threat posed by a German victory to American self-preservation under the subtitle: "Wilson's Indifference Toward Power and Strategy." Wilson argued in the fall of 1914 that if Germany were victorious, she would be so exhausted by the war that she would be unable to threaten American interests in the Western Hemisphere for at least a generation. (Taking a longer view at this time, he thought there would eventually be "but two" great Powers in the world: Russia and the United States.[5]) Wilson further believed that America could generate sufficient military power to deter a future German attack, but he did fear that the effort would turn the United States into "a military nation," with a consequent cost to the traditional American way of life (pp. 174-75).[6] One does not have to be a "Wilsonian idealist" to argue that his prognosis was about as realistic as any advanced in his time or since. But the question of whether the prevention of this problematical prospect should have been the most compelling reason for intervention can only be answered, in the final analysis, by reference to individual preferences. Wilson judged not. To argue otherwise is not to clarify the national interest but to define it.

The fact that Osgood believes that self-interest must necessarily outrank ideals in the hierarchy of American values does not mean that he is indifferent to the servicing of those ideals. America's reputation for idealism, he notes, is as useful "an instrument of national power as the weapons of war" (p. 449). But, he warns, "genuine conviction becomes necessary in order to sustain the appearance of idealism demanded by

[5] House "thought there would be three, China dominating Asia, Russia dominating Europe and a part of Asia, and America dominating the Western World and perhaps the English speaking colonies." See the Diary of Edward M. House, August 30, 1914, House Collection.

[6] See also Charles Seymour, *The Intimate Papers of Colonel House*, 4 vols., Boston, 1926-1928, I, pp. 293, 298-99. It should be noted that Wilson also anticipated costs to the American way of life if America should *enter* the war. See Osgood, pp. 241-42, 241n.

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sheer national expediency" (p. 451). Osgood himself has no difficulty in mustering this conviction, for he believes that "If the Christian, humanitarian, and democratic values . . . are valid at all, they are as valid outside American borders as within. Consequently, if they cease to compel respect in America's foreign relations, they will, ultimately, become ineffective in her domestic affairs" (p. 443).

Osgood is, accordingly, pleased to conclude his review of a half-century of American foreign policy with the observation that, since Americans have at long last realized that their self-preservation is dependent upon the distribution of power overseas, the servicing of ideals may no longer seem so incompatible with more important ends.

III

Osgood's conception of the national interest is drawn from his image of the sinful nature of man. That of Cook and Moos is based on their image of the good society: "that co-organic public welfare state which is the necessity of our time and place" (p. 175). Although its dimensions are never clearly drawn, the co-organic welfare state is something between an "individualist" and a "statist" approach to the development of "industrial technology and of that democracy which is its requisite complement" (p. 4). As previously noted, it is their contention that America should make the promotion abroad of the principles of the good society its "international interest."

Unfortunately, this objective has received only a "hesitant and imperfect recognition" since the end of World War II (p. 174). Cook and Moos attribute this failing largely to the success with which "defenders of a narrow realism in foreign policy" have monopolized the term "national interest" and, equating it with a "tough-minded unconcern for the well being of other peoples," have attacked the proponents of "more generous viewpoints" as being "careless of the welfare of their own people" (p. 131).

Cook and Moos move against the "professed realists" on several fronts, only two of which can be noted here. The "realist" believes that "our sole responsibilities are to husband and increase America's wealth; to protect and cherish its freedom; and to develop and enjoy its own peculiar culture" (p. 98). This conception of the national interest, they conclude, following an excursion into the realm of political theory, represents a "witting or unwitting attempt to apply to and impose on our people alien dogmas" drawn from European political thought in the nineteenth century (p. 105).

One aspect of this alien dogma singled out by the authors for special

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attention is the conception of the state as a "real being." Since the realist sees international politics as the "defense and furtherance of the national self-interest in a world of competing powers," his attention is focused on the capacity of his state to generate "forceful power." Consequently, he tends, "almost inevitably," to conceive of the state as "one unit in concept, in thought, and in action," and he becomes intolerant of those elements in the domestic political process which militate against a "neat and sustained pattern in the formulation and carrying out of policy." The results, Cook and Moos argue, are "both ironic and paradoxical." The realist's justification for defining the national interest as exclusive was his desire to prevent the American way of life from being sacrificed in "supposed service to others." But he is led to demand at home a "unity of loyalty and commitment characteristic of crisis and war," and citizens are thereby forced to "huddle together aggressively in what is in fact the beginning of an escape from freedom" (pp. 120, 123-24).

Cook and Moos make their main assault on the "realists" the demonstration that the "international interest signifies no lack of concern for American well-being" (p. 132). The "basic nature" of the Cold War is a "struggle for leadership in industrializing the nonindustrial world" (p. 176). Given the "conspicuousness" of American industrial civilization, a selfish conception of our national interest would only lead to "envy" abroad and the formation of a "united power" to which we would ultimately fall victim (p. 104). Thus, Cook and Moos, like Osgood, conclude that the sincere profession and practice of "universally applicable moral principle [are] vital to the generation of national power and influence" (p. 121). "For the sake of success we cannot, as in morals we should not, treat other nations as means only" (p. 132). Hence, the "realism of idealism."

This argument leaves the reader in doubt as to whether Cook and Moos see the "international interest" as a matter of choice or necessity. Do they conceive of a difference between policies enacted in the name of success and those in the name of morality? How idealistic is it realistic to be? The authors do not enlighten the reader on these points. They assert that the international interest commits Americans "to combat all types of totalitarian tyranny, by ideological warfare when possible, by force when necessary" (p. 130). However, the extent to which we should commit ourselves to the liberation of Russian satellites is "solely a question of expediency in the service of principle. We may legitimately hesitate to intervene where we are uncertain of the consequences for our own course . . ." (p. 142). Similarly, when discussing

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economic aid, they note that "we must not, in making our home markets more readily available to others, bring major dislocations to our own communities" (p. 183).

Cook and Moos are obviously correct in their statement that Americans need to clarify their goals in the Cold War. With the advent of intercontinental missiles with thermonuclear warheads, a revolutionary change in the strategic relationship between the United States and Europe will be completed. As Osgood amply illustrates, the proposition that America has a military interest in preventing a concentration of the people and resources of the Old World in the hands of a single Power won only late and reluctant acceptance in the United States. But when the Soviet Union can develop within her own borders an "America-bomb" and the means to deliver it, what then is the interest of the United States in the disposition of the people and resources of Europe? A listing of the military advantages still to be had from a non-Communist Europe may not necessarily answer this question. There would appear to be a need to clarify our interest in the maintenance of a "democratic" Europe, either as an end-in-itself or as a sustaining influence of the democratic ethos at home.

Cook and Moos never come to grips with this problem. They advance the familiar hypothesis that our democratic institutions will wither away if similar institutions disappear abroad, but they make no attempt to demonstrate or develop it. Apparently, the authors believe they have answered the most important policy questions with their discussion of the "realism of idealism." But this discussion provides no clear guidance for determining the "expedient" thing to do about liberation or tariffs. Presumably, they desire something different from what the nation is now doing. But the reader who wishes to compare his preferences with those of the authors can hardly feel satisfied with their statement.

IV

As previously indicated, the present reviewer is prepared to accept the idea that the distinction between an individual's preferences and the clarity of his preferences may be a useful one. In the case of these two books, "clarity" has referred both to an individual's alertness to the relative importance of his ends and to the suitability of his proximate goals for his more ultimate ends. After all, the lower one descends along the ends-means chain, the more do proximate ends assume the character of analytical tools for achieving more ultimate preferences. As such, their number, weight, and form may be matters of convenience

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as well as a reflection of taste. But while these distinctions may be made in theory, they obviously require the utmost pains in practice. Scholarship is no substitute for the political process as a means for determining the ultimate ends of state policy, whatever its promise for enhancing the rationality of choice among proximate goals. The line between informing an individual ("this is what you really want") and enjoining him ("this is what you should want") must be carefully drawn.

Yet Cook and Moos fail completely to specify the method by which they have assured themselves that they have not crossed this line. Osgood is more cautious, but his case for a predetermined priority among ends is far from complete. It does seem that Americans have become increasingly reluctant to engage in efforts to secure so-called ideal arrangements in the world. But whether this phenomenon is to be attributed to a change in values, a more accurate estimate of the costs involved, or an enhanced realization by Americans of just how selfish they are is something else again.

The intent of both of these books—whether to clarify their own or others' interests—appears to have been poorly served by the decision to treat the problem in terms of "ideals" and "self-interests." Since neither book presumably intends to burden the reader with the conception of a self acting against its interests, the term "self-interest" is more properly phrased as "selfish interests." The difficulty here is that the distinction between a self's selfish interests and its altruistic interests is normally ethical rather than empirical. An "altruist," for example, is readily identified by a guilty conscience. But some standard measure for determining the degree of priority given the end of serving the ends of others must be developed before the term has scientific utility. On occasion, moreover, the authors appear to have another point altogether in mind. When discussing the "realism of idealism," for example, they seem to be primarily asserting that to the extent states have compatible ends the possibility of conflict among them is lessened.

Another difficulty is that the selfish-unselfish dichotomy is too crude a classificatory tool for describing the end conflicts involved in most policy problems, and an analysis that confines itself to phenomena suited to these terms may easily avoid reference to those problems. Thus, while the two books leave the impression that the authors hold different policy positions, it is impossible to verify this impression from the books themselves.

Much of the recent scholarly preoccupation with "realism and idealism" had its origin in a critical analysis of the peace strategies followed by or urged upon Great Britain and the United States after World

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War I. By approaching this analysis through the conception of two contrasting schools of thought about international politics, "idealists" and "realists," scholars were able to illustrate the systemic relationship that can exist among the elements that make up an individual's image of the international political process and of the role his state should play in that process. Once this relationship was clear, attention was easily directed to the key premises of the system. In reality, of course, the political views of individuals in the inter-war period contained elements of both of these scholarly "ideal types." Nevertheless, the types did serve to bring into question the validity of most of the major assumptions involved in inter-war peace strategy.

Whether the old typology is equally useful for developing insights into post-World War II peace strategy is another matter.[7] Seen in more recent perspective, some of the similarities between the old "idealist" and the more modern "realist" seem as interesting as the differences between them. Thus, one of the "lessons" of the 1930's that has influenced American policy toward Russia has been the expectation that aggression anywhere leads inevitably to aggression everywhere. (Here, the near demise of the "collective security idealism" versus "national interest realism" issue may be noted; advocates of "idealistic" ends have embraced the means of power-politics, and advocates of the "national interest" have decided that it is One World.) But if this image of the chain-reaction character of the international political process were a characteristic of our modern "realist," would he be so far removed from the Wilson who wrote: "Once accept a single abatement of right, and many other humiliations would certainly follow, and the whole fine fabric of international law might crumble under our hands piece by piece"?[8]

Similarly, there has been a strong trace of the "something for nothing" expectations that were so characteristic of post-World War I peace strategy in the recent development of American containment policy. When the North Atlantic Treaty was first discussed, it was widely asserted that a firm verbal commitment from America to go to war would protect the peace (cf. the expectation that the League could enforce peace by mobilizing world opinion). It was later decided that military power would be required to back up the alliance (if public opinion needed any backing, it could come from the threat of eco-

[7] For a demonstration of some of the difficulties involved and the development of an alternative approach, see Arnold Wolfers, "The Pole of Power and the Pole of Indifference," *World Politics*, IV, No. 1 (October 1951), pp. 39-63.

[8] Letter to Senator William J. Stone, February 24, 1916, as quoted in Osgood, p. 187.

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nomic sanctions). Finally, it was recognized that arms would have to be used once, but then the aggressor would have learned his lesson and been deterred from further activity (the application of sanctions would quickly be followed by peace). In more ways than one, perhaps, Korea has been our Ethiopia.

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INTERNATIONAL ORGANIZATION EXAMINED AND APPRAISED

By CHARLES BOASSON

Gerard J. Mangone, *A Short History of International Organization*, New York, McGraw-Hill Book Co., 1954, 326 pp. $5.00.
Daniel S. Cheever and H. Field Haviland, Jr., *Organizing for Peace*, New York, Houghton Mifflin Co., 1954, 917 pp. $7.00.
Stanley Hoffmann, *Organisations Internationales et Pouvoirs Politiques des Etats*, Paris, Armand Colin, 1954, 428 pp. 1100 francs.
The Year Book of World Affairs, 1954 (published under the auspices of the London Institute of World Affairs), New York, Frederick A. Praeger, 1954, 378 pp. $7.50.
Leland M. Goodrich and Anne P. Simons, *The United Nations and the Maintenance of International Peace and Security*, Washington, D.C., The Brookings Institution, 1955, 709 pp. $6.00.
E. Adamson Hoebel, *The Law of Primitive Man*, Cambridge, Mass., Harvard University Press, 1954, 357 pp. $5.50.

DURING 1954 and 1955, it was to be expected that many books would be published that dealt with the Charter of the United Nations and the possibility of amending it, as was provided for under Article 109 (3) of the Charter itself. Quite apart from the fact that the topic of Charter amendment was due to be placed on the agenda of the UN after the organization had been in existence for ten years, any expert in the field of international relations was bound to reflect at this time on the record and practice of the UN and to take stock of its achievements and failures. It is also understandable that recent books intended for the student in the field would devote substantial space to an assessment of the organization's achievements. While the authors of such works do not come forward with specific proposals, such as those of the advocates of the World Federalist movement, they attempt to arrive at a detached evaluation of what the ten years of the UN's existence have taught us.

Of the books under review, the two by Mangone and Cheever and Haviland are obviously written by university teachers for the use of their students and both are probably required reading in many advanced courses. Textbooks of this kind could not have been written in the years immediately after the Charter came into force; only the lapse of a decade could have produced the critical and detached judgments that characterize them. Yet, despite all their obvious good qualities, serious objections to both these books can be raised. Both of them

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run too smoothly to their end. The development from a lack of international organization through the League of Nations to the intricate network of the UN, with its commissions and sub-commissions and its history of important resolutions and decisions, is sketched as historically unavoidable, on the one hand, and as an achievement to be praised and in general to be proud of, on the other. In neither book is there mention of alternative choices or constructive criticism of provisions and decisions. It seems to the present reviewer that Cheever and Haviland are the more culpable in this respect, inasmuch as they have already built up a reputation, both as joint authors and independently, for their capacity to make valuable judgments. Moreover, in this particular book they have provided such massive documentation, so many graphs, and such full particulars that the student is led to believe that they have collected all the available material and have said all there is to say about it. Yet when one looks through the appendices, one does not even find the complete text of the "Uniting for Peace" resolution. Nor does the title of the book, *Organizing for Peace*, provide an accurate indication of the problems of international politics, with its many subtle forces of disintegration, its constant state of insecurity and precarious balance, which threaten such "organizing for peace" as has been honestly attempted.

Professor Mangone makes less comprehensive promises in his *Short History of International Organization*, but in fact he does not provide enough history. The history of international organization should not be seen as a smooth, unavoidable development, but as many challenges occurring in the historical setting, where choices had to be made and where often—depending on one's values—the wrong choice was decided upon. Sometimes the choice was made rather thoughtlessly; sometimes it was really as good as the moment allowed, but proved disappointing in practice. Occasionally the choice was meaningless in itself, but was used to great advantage by prudent delegates or by a wise chairman. Nothing of this comes out in Mangone's book and the reader is not urged to reach such conclusions for himself.

Hoffmann's study, *Organisations Internationales et Pouvoirs Politiques des Etats*, contains wider implications than can be found in either of the books mentioned above. Yet Hoffmann restricts himself severely to a purely political analysis of the UN and has, indeed, already incurred the criticism that his point of view is altogether too political.[1] As against this, it seems only fair to point out that the UN is in fact mainly a political structure, or at least an institution for political de-

[1] *American Journal of International Law*, XLVIII (July 1954), p. 517.

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cision-making. This seems a better view than describing it as an organization which keeps the nations together; it does so only if the representatives of the member nations convene with compatible objectives. Moreover, however limited to political analysis Hoffmann's book may be, it is highly useful in that he directs his analysis back to the Concert of Europe rather than to the League of Nations. Such a device brings out many aspects of the UN with greater clarity than does a comparison of the Charter with the provisions of the League's Covenant. Hoffmann does not merely provide a hasty sketch of the historical development, but goes fully into some of the missed alternatives and gives a broad criticism of the defects in some of the choices that were made. The present writer does not share Mr. Hoffmann's predilection for regional arrangements as the best way to accomplish the tasks of world government—a matter which will be discussed at the conclusion of this article. It must be conceded, however, that in the absence of alternative possibilities his argument is a cogent one, particularly from the point of view of France and the French public, for whom the book was written.

While the editors of the *Year Book of World Affairs* always attempt to present a full survey of international developments within a given year, they seem by now to have become steeped in the tradition of stressing political science and sociological theory rather than offering the more conventional analysis of international affairs, as found in diplomatic history and international law. So long as the *Year Book* does not confine itself too exclusively to its own particular tradition, there is much to be said for this approach.

In the opening article of the *Year Book* for 1954, Max Beloff emphasizes the fact that traditional classifications may mislead the social scientist; he offers the thesis that the traditional division between political science, on the one hand, and international relations, on the other, hampers the analysis of some of the most urgent problems of the day. In this vein, he develops the view that jealousies between member states of a federal entity—jealousies which are a legacy of the past and difficult to bury—are in themselves an obstacle to international organization, and points to the persistent conflicts within the United States as the most important example, although certainly not the only one. Without making any concrete proposals, Beloff draws attention to the problem posed by the tendency of traditional political attitudes to conflict with technological and economic trends.

In line with what we have called the *Year Book*'s tradition, this article by Beloff is followed by a section dealing with attitude research

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(or what comes close to it) on the position of Great Britain, the United States, and the Soviet Union vis-à-vis the UN. Next comes "The Security Council in Retreat," by L. C. Green, an article so well-titled that much of its content is self-evident. And only after a study of the economic work of the UN by Susan Strange does Bin Cheng's analysis, "International Law in the United Nations," appear. In all fairness, however, it should be said that Green's article is perhaps more juridical in nature than Bin Cheng's. The latter author, who appeared to be rather an optimist regarding the influence of law in his previous major work, published only a year earlier,[2] seems in the *Year Book* to have become utterly pessimistic. He now feels that international law has no intrinsic value in the UN, where it is used "more often as a tactical weapon." With all due respect, one might venture to say that his disappointment was bound to come, as it must to others who fail to take a sufficiently sociological view of international law. Under the present circumstances, it cannot be assumed that because some nations do abide by a rule of law or a judicial decision, a clear-cut precedent is thereby established that is applicable in cases where the social background is entirely different.

The article by J. Fraenkel of the University of Aberdeen is a very balanced and objective account of the Soviet attitude within and in respect to the UN, especially when one considers that the years 1953-1954 represented the high-water mark of the crusade in Anglo-Saxon countries against any profession of sympathy with the Soviet viewpoint. Fraenkel rightly stresses the large part played by fear and suspicion in international relations in his dispassionate discussion of the fact that the Soviet Union and the satellite countries remained a clear minority in the UN and that they had, moreover, at least subjective, if not objective, reasons for their apprehensions. Fraenkel and Green, in their short analyses, reach conclusions that are corroborated by the larger work to be reviewed below—namely, that a settlement between the Western and Eastern blocs is more likely to result from negotiations outside the UN and that in general a constructive discussion of Charter revision does not seem to be a political reality at the present time.

In order to assist the public to discuss the experience of the UN intelligently, the Brookings Institution has published, as the first volume of a series, *The United Nations and the Maintenance of International Peace and Security*. The book represents the views of the authors, not of the Institution, offered as "a competent treatment of a subject

[2] *General Principles of Law as Applied by International Courts and Tribunals*, London, 1953.

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worthy of public consideration"—that is to say, as a starting point for discussion rather than as a final point of view. It is possible, therefore, that in future volumes different concepts will come to the fore; certainly, other technical aspects will be treated more fully. The present reviewer, for reasons that will presently be stated, has particularly high expectations of the promised book on the Specialized Agencies (*The United Nations and Promotion of the General Welfare*). In the meantime, the work of Goodrich and Simons seems a most judicious combination of extensive fact-collecting and penetrating analysis. The result is a book for the politician, the social scientist, and the international lawyer; and for the undergraduate student as much as for the research worker. It is lucidly written and there is no reason why beginners in the field could not be confronted with such an excellent analysis of a crucial aspect of international organization.

Perhaps one does a disservice to such a book by citing one or two of its conclusions; for one of its merits is the cautious way in which conclusions are arrived at. The authors have not contented themselves with mere description, although the manner in which they have described the background, the initial assumptions, and the concise record of the UN, as well as the procedures within it, is beyond praise. They criticize various resolutions and in particular the overeagerness of both the Security Council and the General Assembly to let moot questions appear on the agenda, but they never assume that it is their task to teach the UN representatives a lesson. On this matter of the agenda, they write: "Changes in procedure will not of course remove from the realm of politics the basic question of what matters the Council and the Assembly should consider. In the end, any significant changes will be brought about only if Member states reconsider their attitude toward what questions they themselves will bring to the Council and the Assembly and what questions they will support for consideration by the two organs" (p. 127).

To those who have pleaded for a more legalistic approach, Goodrich and Simons utter a word of caution: "So long as deep chasms of opposing purposes and conflicting interests continue to exist, it is highly problematic whether judicial settlement can in the near future acquire the general recognition and established place in an international order of peace and security that it deserves. Nevertheless, there is reason to hope that among those Members of the United Nations enjoying common cultural backgrounds and possessing similar political and legal systems and ideas, judicial settlement will be increasingly accepted as an important procedure for settling international legal disputes and for

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developing a body of international law more adequate in scope and definiteness to the needs of international peace and justice" (p. 340).

The authors feel that the determination of the existence of a threat to the peace and similar questions are beyond the present scope of an international court of law: "The determination of the existence of a threat to the peace, a breach of the peace, or an act of aggression by the Security Council or the General Assembly has, in the practice of the United Nations, been a political act. Such determination has been a method of collective coercion as well as a preliminary to collective measures or coercion. Responsibility for making this determination has been assumed by the Assembly in cases in which disagreement among the permanent members of the Council prevents that organ from acting. Although a determination by the Assembly does not have the binding force of a determination by the Council under Article 39, it may have extensive moral authority, and may receive wide support from Members. A determination by the Council has lost much of the authority that it was initially expected to have as the result of the failure of the Council to conclude agreements with Members by which armed forces and facilities would be placed at its disposal, and the inability of the permanent members to agree among themselves on joint action under Article 106" (p. 366).

The most important section of the book deals with what the UN has been able to accomplish after other methods of peaceful settlement and adjustment (recommendation, negotiation, mediation, arbitration, and judicial settlement) have failed. Leaving aside the question of disarmament, to which over seventy pages are devoted, Goodrich and Simons come to the balanced conclusion—a conclusion that is supported by the book as a whole—that the detailed provisions of the Charter might have been followed more scrupulously if greater cooperation had existed among the major powers. As matters have developed, the Security Council has failed to perform its prescribed role only too often and the Assembly has been made more use of than was contemplated. Consequently, the general purposes and principles of the Charter have acted as a guiding element to a greater extent than the provisions drafted for specific purposes.

Goodrich and Simons do not consider proposals for great and immediate strides forward as realistic at present. They write: "In looking to the foreseeable future, therefore, it would seem that Members of the United Nations will have to rely primarily on their national armed forces that are made available under the special defense agreements permitted by the Charter to meet major military attacks" (p. 620).

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And again: "The record of the United Nations in maintaining international peace and security cannot of course be viewed with complete satisfaction or optimism. Admittedly the Organization has been less effective than was generally expected when the Charter was signed in 1945. But from the record to date, it is not clear that the Organization would have been more effective if the machinery of the United Nations had been different or if certain provisions of the Charter had been differently phrased. . . . It is difficult to believe, on the basis of an analysis of the record of the United Nations in maintaining peace and security, that Member states would be willing to accept the more stringent obligations and limitations on their national sovereignties that would be necessary under a world government or some other form of supranational authority when they have so frequently been unwilling to fulfill the obligations and abide by the limitations imposed by the present Charter" (pp. 624-25). The obvious conclusion, then, is that the UN will have to develop slowly and painfully, without the adoption of far-reaching proposals for amendment of the Charter, but with a show of understanding, tolerance, and good faith on the part of the member states.

If the present writer ventures to make some observations which differ from the approach of Goodrich and Simons, he does so without any knowledge of their attitude toward broader topics which fall outside the scope of their book. But books like the one in question appear to be based on the assumption that international law is a system capable of providing an immediate answer to all problems of international organization, if the diplomats or the nations they represent would only attempt to employ the legal approach. A second basic assumption—and one that is bound to bring disillusionment—is that the nations of the world and their representatives should be able as of now to maintain international peace and security. But where and how must the nations and their representatives be expected to have received their schooling to become other than they are? And as regards the adequacy of international law, further heart-searching seems to be necessary as to the real nature of the legal process when nations are not yet living in an international climate of full cooperation. The fact must be faced that the lawyers' equipment may not provide all the tools required to tackle international problems. An argument that holds good in court, being based on traditional legal concepts, may not hold in the international constellation, or do so only to a limited extent. International law is far removed from "primitive" law, and the very term "primitive" may

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lead to an overoptimistic belief that the right kind of international law will develop automatically from the present stage of international law.

An analysis of the way in which primitive law came into being, and of the ways in which it can or cannot be compared with international law, may be of great help to international lawyers, who on the whole need further sociological schooling. Such assistance is provided by E. Adamson Hoebel, who has written a captivating study, *The Law of Primitive Man*, with the present-day international scene very much in mind. His analysis of what legal process amounts to no more than mediation and what process may be called a proper judgment is well worth reading. He writes, for example:

> In almost all instances, however, action for damages remains only a first step. Refusal or failure on the part of the defendant party to pay up leads to assault or killing. Then retaliation and feuding are the unhappy consequence . . . this is the fatal defect of most primitive law systems. Like the modern nation, each clan or kinship group determines for itself what the final action shall be, and no man, clan, or nation is competent to judge its own cause (p. 318).

> The struggle of the law through the ages of development on the primitive level has revolved about the problem of subordinating the kin-centered psychology to that of the community. The kin sentiment never dies, but ultimately public law triumphs (p. 322).

> It is argued by those who take the small view that because war between societies of men has always been, so war shall always be. War between societies is comparable to retaliation and feud within societies. The motivation and expression of both forms of behavior are much the same. But the urge to extend the realm of peace through law and the finding of the means to do it are clearly as old and as enduring as the urge to fight. The heartening fact is that for all the inadequacies of their judicial and administrative creations, for all the breakdowns of the machinery of social control that have occurred again and again in human history, the quest for law has never ceased on the part of men in society, and in the large the rule of law in the name of and on behalf of the social whole has grown and triumphed along with the expansion of the social horizon (pp. 330-31).

If it is true that law and cooperation are processes one of which cannot exist without the other, but which must be learned gradually, the question must be faced whether the Charter of the UN does not overemphasize the final result to be achieved and underemphasize the school, or learning process. Hoffmann's answer to this question is that provisions for the regional defense of the international order may lead the way to a greater unity. The answer of Goodrich and Simons, and of many others, is that the UN must be left to develop on the basis of

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the Charter as it has been agreed upon. The present writer, however, would point instead to the Specialized Agencies as the school in which the processes of cooperation and international law must be learned before the Charter, as it now reads or as it conceivably might be amended, is capable of realization.

This, of course, is not to say that the delegates to the Specialized Agencies and the representatives of the member states of the UN can become models of cooperation overnight, forgetting narrow national interests and petty prejudices. Nevertheless, the Specialized Agencies require responses from their delegates which are necessarily different from those provoked in a purely political body. The Specialized Agencies offer a functional challenge in addition to the political pressures prevailing in international organizations. Not rarely, the technical excellence of a representative or of his arguments carries weight within the Specialized Agencies which far exceeds his political bargaining power. Moreover, a common fear of a real or imaginary foe has always been a great uniting force in international relations, and the Specialized Agencies are confronted by some of the most real and truly common enemies of mankind—hunger, disease, and the like. The fact that broad, humanitarian problems are clearly in the forefront of the activities of the Specialized Agencies may tend to make existing national jealousies less paramount and establish the required conditions for greater international cooperation.

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